

**HON HAI PRECISION INDUSTRY CO., LTD.**  
**AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AND**  
**REPORT OF INDEPENDENT ACCOUNTANTS**  
**DECEMBER 31, 2011 AND 2012**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## 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 its subsidiaries as of December 31, 2011 and 2012, and the related consolidated statements of income, of changes in stockholders' equity and of cash flows for the years then ended, expressed in thousands of New Taiwan dollars. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of certain consolidated subsidiaries which statements reflect total assets of \$245,803,235,000 and \$147,874,948,000, constituting 14.21% and 7.23% of the consolidated total assets as of December 31, 2011 and 2012, respectively, and total revenues of \$405,044,774,000 and \$154,940,895,000, constituting 11.73% and 3.97% of the consolidated total operating revenues for the years then ended, respectively. Those statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for these subsidiaries, is based solely on the reports of the other auditors.

We conducted our audits in accordance with the "Rules Governing the Examination 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 auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hon Hai Precision Industry Co., Ltd. and its subsidiaries as of December 31, 2011 and 2012, and the results of their operations and their cash flows for the years then ended in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and generally accepted accounting principles in the Republic of China.

Hon Hai Precision Industry Co., Ltd. adopts International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins (IFRSs) that are ratified by the Former Financial Supervisory Commission, Executive Yuan, R.O.C. (FSC) in the preparation of its financial statements effective January 1, 2013. Information relating to the adoption of IFRSs is disclosed in Note 13 under the requirements of Jin-Guan-Zheng-Shen-Zi Order No. 0990004943 of FSC, dated February 2, 2010. The IFRSs may be subject to changes during the time of transition; therefore, the actual impact of IFRSs adoption on Hon Hai Precision Industry Co., Ltd. may also change

PricewaterhouseCoopers, Taiwan  
March 28, 2013

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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,**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

	2011 NT\$	2012 NT\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4(1))	\$ 329,793,633	\$ 505,526,956
Financial assets at fair value through profit or loss - current (Note 4(2))	70,329	140,220
Available-for-sale financial assets - current (Note 4(3))	674,287	777,410
Notes and accounts receivable, net (Note 4(4))	450,757,984	597,578,990
Accounts receivable, net - related parties (Note 5)	25,291,811	35,469,651
Other receivables (Notes 4(5) and 5)	34,679,896	38,235,975
Other financial assets - current (Note 6)	46,741,750	947,222
Inventories, net (Note 4(6))	380,521,794	349,882,643
Prepayments (Note 5)	7,119,919	7,647,041
Deferred income tax assets - current (Note 4(15))	8,016,419	6,751,334
	1,283,667,822	1,542,957,442
<b>Funds and Investments</b>		
Financial assets at fair value through profit or loss non-current (Note 4(2))	-	179,300
Available-for-sale financial assets - non-current (Note 4(3))	4,790,319	8,302,853
Financial assets carried at cost - non-current (Note 4(7))	4,046,796	8,620,722
Equity investments under the equity method (Note 4(8))	40,259,657	44,492,047
Prepayments for long-term investments (Note 4(8))	1,545	982,430
Other financial assets - non-current (Note 6)	24,179	854,748
	49,122,496	63,432,100
<b>Property, Plant and Equipment (Notes 4(9) and 5)</b>		
<b>Cost</b>		
Land	4,225,808	3,900,934
Buildings and improvements	151,455,281	166,307,528
Machinery	246,249,077	285,431,007
Molding equipment	3,633,968	2,741,721
Testing equipment	24,948,040	24,704,409
Office equipment	15,863,541	15,292,609
Tooling equipment	3,270,354	3,539,459
Other equipment	43,977,326	48,275,054
Cost and revaluation	493,623,395	550,192,721
Less: Accumulated depreciation	( 165,396,856)	( 191,244,750)
Accumulated impairment	( 4,432,302)	( 4,658,696)
Construction in progress and prepayments for equipment	31,579,244	36,008,944
	355,373,481	390,298,219
<b>Intangible Assets (Note 4(10))</b>		
Patent right	-	3,448,500
Goodwill	695,266	505,969
	695,266	3,954,469
<b>Other Assets</b>		
Deferred charges	15,101,778	20,165,075
Other assets - other (Note 4(11))	26,350,582	23,596,212
	41,452,360	43,761,287
<b>TOTAL ASSETS</b>	<b>\$ 1,730,311,425</b>	<b>\$ 2,044,403,517</b>

(continued)

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

	2011	2012
	NT\$	NT\$
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>Current Liabilities</b>		
Short-term loans (Note 4(12))	\$ 260,522,749	\$ 297,572,165
Short-term notes and bills payable (Note 4(13))	7,989,312	7,991,597
Financial liabilities at fair value through profit or loss - current (Note 4(2))	251,834	66,767
Accounts payable	519,725,102	602,755,794
Accounts payable - related parties (Note 5)	28,769,177	35,614,847
Income tax payable (Note 4(15))	19,939,503	19,177,206
Accrued expenses (Notes 4(14)(20))	87,322,885	137,224,165
Payables for equipment (Note 5)	28,177,904	49,996,281
Other payables	5,835,155	6,718,815
Receipts in advance	5,584,781	27,681,170
Long-term liabilities - current portion (Notes 4(16)(17))	3,000,000	50,226,736
Accrued warranty liabilities	21,417,453	11,415,509
Other current liabilities	3,180,188	3,583,255
	<u>991,716,043</u>	<u>1,250,024,307</u>
<b>Long-term Liabilities</b>		
Bonds payable (Note 4(16))	62,378,777	74,980,461
Long-term loans (Note 4(17))	53,600,100	30,707,957
	<u>115,978,877</u>	<u>105,688,418</u>
<b>Other Liabilities</b>		
Reserve for retirement plan (Note 4(18))	1,064,300	1,103,395
Deferred income tax liabilities - non-current (Note 4(15))	1,793,747	468,606
Other liabilities - other	4,738,974	5,387,638
	<u>7,597,021</u>	<u>6,959,639</u>
<b>Total Liabilities</b>	<u>1,115,291,941</u>	<u>1,362,672,364</u>
<b>Stockholders' Equity</b>		
<b>Stockholders' Equity of Parent Company</b>		
Capital stock (Note 4(19))		
Common stock	106,890,967	118,358,665
Capital reserve (Note 4(21))		
Paid-in capital in excess of par value of common stock	34,724,228	39,820,178
Capital reserve from conversion of convertible bonds	18,482,483	18,482,483
Capital reserve from long-term investments	15,452,488	16,928,977
Capital reserve from conversion right (Note 4(16))	2,034,440	2,034,440
Retained earnings (Note 4(22))		
Legal reserve	51,821,402	59,980,502
Undistributed earnings	325,500,402	385,380,938
Other adjustments to stockholders' equity		
Cumulative translation adjustments	21,141,456	1,395,612
Unrealized gain or loss on financial instruments (Note 4(3))	1,802,723	4,169,293
Treasury stock	( 18,901)	( 18,901)
Stockholders' equity of parent company	<u>577,831,688</u>	<u>646,532,187</u>
Minority interest	37,187,796	35,198,966
<b>Total stockholders' equity</b>	<u>615,019,484</u>	<u>681,731,153</u>
<b>Commitments and Contingent Liabilities (Note 7)</b>		
<b>Subsequent Events (Note 9)</b>		
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 1,730,311,425</u>	<u>\$ 2,044,403,517</u>

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

See report of independent accountants dated March 28, 2013.

**HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE YEARS ENDED DECEMBER 31,**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,**  
**EXCEPT EARNINGS PER SHARE DATA)**

	2011 NT\$	2012 NT\$		
Operating Revenue				
Sales (Note 5)	\$ 3,452,681,273	\$ 3,905,395,322		
Operating Costs				
Cost of goods sold (Notes 4(6)(24) and 5)	( 3,186,298,789)	( 3,575,766,285)		
Gross profit	266,382,484	329,629,037		
Operating expenses (Notes 4(20)(24))				
Sales and marketing expenses	( 72,749,672)	( 104,581,183)		
General and administrative expenses	( 69,941,002)	( 70,970,421)		
Research and development expenses	( 40,846,782)	( 45,626,952)		
Total operating expenses	( 183,537,456)	( 221,178,556)		
Operating income	82,845,028	108,450,481		
Non-operating income and gains				
Interest income	8,424,751	13,348,559		
Investment income accounted for under the equity method (Note 4(8))	3,151,898	2,792,985		
Dividend income	167,904	144,580		
Gain on disposal of property, plant and equipment (Note 5)	155,628	153,958		
Gain on disposal of investments (Note 4(3))	584,107	1,644,484		
Foreign exchange gain - net	8,981,365	1,435,180		
Gain on valuation of financial assets (Note 4(2))	-	21,776		
Gain on valuation of financial liabilities (Note 4(2))	-	9,314		
Other non-operating income (Note 3)	5,976,471	4,381,750		
Total non-operating income and gains	27,442,124	23,932,586		
Non-operating expenses and losses				
Interest expense	( 5,704,004)	( 9,596,761)		
Financing charges (Note 4(4))	( 482,813)	( 189,662)		
Impairment loss (Notes 4(3)(9))	( 564,979)	( 3,427,380)		
Loss on valuation of financial assets (Note 4(2))	( 28,311)	-		
Loss on valuation of financial liabilities (Note 4(2))	( 433,239)	-		
Other non-operating losses	( 537,606)	( 790,173)		
Total non-operating expenses and losses	( 7,750,952)	( 14,003,976)		
Income before income tax	102,536,200	118,379,091		
Income tax expense (Note 4(15))	( 20,601,567)	( 26,591,950)		
Consolidated net income	\$ 81,934,633	\$ 91,787,141		
Attributable to:				
Equity holders of the Company	\$ 81,590,999	\$ 94,762,377		
Minority interest	343,634	( 2,975,236)		
	\$ 81,934,633	\$ 91,787,141		
	Before income tax	After income tax	Before income tax	After income tax
Earnings per common share (Note 4(23))				
Basic earnings per common share				
Consolidated net income	\$ 8.72	\$ 6.97	\$ 10.03	\$ 7.78
Minority interest	( 0.07)	( 0.03)	0.27	0.25
Net income attributable to equity holders of the Company	\$ 8.65	\$ 6.94	\$ 10.30	\$ 8.03
Diluted earnings per common share				
Consolidated net income	\$ 8.52	\$ 6.81	\$ 9.78	\$ 7.60
Minority interest	( 0.07)	( 0.03)	0.26	0.24
Net income attributable to equity holders of the Company	\$ 8.45	\$ 6.78	\$ 10.04	\$ 7.84

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 28, 2013.

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

	Capital Stock		Retained Earnings		Other Adjustments to Stockholders' Equity				
	Common stock	Capital Reserves	Legal reserve	Undistributed earnings	Cumulative translation adjustments	Unrealized gain (loss) on financial instruments	Treasury stock	Minority interest	Total
<b>2011</b>									
Balance at January 1, 2011	\$ 96,612,482	\$ 65,011,063	\$ 44,105,947	\$ 270,947,354	(\$ 9,330,319)	\$ 13,265,130	(\$ 18,901)	\$ 32,853,249	\$ 513,446,005
Appropriations of 2010 earnings (Note 1):									
Legal reserve	-	-	7,715,455	( 7,715,455)	-	-	-	-	-
Cash dividends	-	-	-	( 9,661,248)	-	-	-	-	( 9,661,248)
Stock dividends	9,661,248	-	-	( 9,661,248)	-	-	-	-	-
Employees' stock bonus	617,237	4,937,891	-	-	-	-	-	-	5,555,128
Consolidated net income for 2011	-	-	-	81,590,999	-	-	-	343,634	81,934,633
Unrealized loss on financial assets	-	-	-	-	-	( 8,892,143)	-	-	( 8,892,143)
Transfer due to expiry of convertible bonds									
Paid-in capital in excess of par	-	1,195,200	-	-	-	-	-	-	1,195,200
Capital reserve from conversion right	-	( 1,195,200)	-	-	-	-	-	-	( 1,195,200)
Adjustments due to changes in equities of long-term investments	-	744,685	-	-	-	( 2,570,264)	-	-	( 1,825,579)
Cumulative translation adjustment	-	-	-	-	30,471,775	-	-	-	30,471,775
Minority interest	-	-	-	-	-	-	-	3,990,913	3,990,913
Balance at December 31, 2011	<u>\$ 106,890,967</u>	<u>\$ 70,693,639</u>	<u>\$ 51,821,402</u>	<u>\$ 325,500,402</u>	<u>\$ 21,141,456</u>	<u>\$ 1,802,723</u>	<u>(\$ 18,901)</u>	<u>\$ 37,187,796</u>	<u>\$ 615,019,484</u>
<b>2012</b>									
Balance at January 1, 2012	\$ 106,890,967	\$ 70,693,639	\$ 51,821,402	\$ 325,500,402	\$ 21,141,456	\$ 1,802,723	(\$ 18,901)	\$ 37,187,796	\$ 615,019,484
Appropriations of 2011 earnings (Note 2):									
Legal reserve	-	-	8,159,100	( 8,159,100)	-	-	-	-	-
Cash dividends	-	-	-	( 16,033,645)	-	-	-	-	( 16,033,645)
Stock dividends	10,689,096	-	-	( 10,689,096)	-	-	-	-	-
Employees' stock bonus	778,602	5,095,950	-	-	-	-	-	-	5,874,552
Consolidated net income for 2012	-	-	-	94,762,377	-	-	-	( 2,975,236)	91,787,141
Unrealized loss on financial assets	-	-	-	-	-	2,026,951	-	-	2,026,951
Adjustments due to changes in equities of long-term investments	-	1,476,489	-	-	-	339,619	-	-	1,816,108
Cumulative translation adjustment	-	-	-	-	( 19,745,844)	-	-	-	( 19,745,844)
Minority interest	-	-	-	-	-	-	-	986,406	986,406
Balance at December 31, 2012	<u>\$ 118,358,665</u>	<u>\$ 77,266,078</u>	<u>\$ 59,980,502</u>	<u>\$ 385,380,938</u>	<u>\$ 1,395,612</u>	<u>\$ 4,169,293</u>	<u>(\$ 18,901)</u>	<u>\$ 35,198,966</u>	<u>\$ 681,731,153</u>

Note 1: Directors' and supervisors' remuneration amounting to \$0 and employees' bonus amounting to \$5,555,128 had been deducted from the Consolidated Statement of Income in 2010.

Note 2: Directors' and supervisors' remuneration amounting to \$0 and employees' bonus amounting to \$5,874,552 had been deducted from the Consolidated Statement of Income in 2011.

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 28, 2013.

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

	2011	2012
	NT\$	NT\$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Consolidated net income	\$ 81,934,633	\$ 91,787,141
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
(Reversal of allowance) provision for doubtful accounts and sales discount	( 1,235,775)	980,352
Depreciation	45,661,397	58,161,542
Amortization of intangible and other assets	5,794,344	9,721,785
Gain on disposal of property, plant and equipment, net	( 155,628)	( 153,958)
Loss on impairment	564,979	3,427,380
Loss on valuation of financial assets and liabilities, net	205,917	9,812
Provision for inventory obsolescence and market price decline	4,827,280	2,777,797
Investment income accounted for under the equity method	( 3,151,898)	( 2,792,985)
Cash dividends from long-term investments accounted for under the equity method	596,865	978,316
Gain on disposal of investments	( 584,107)	( 1,644,484)
Amortization of discount on convertible bonds payable	645,094	666,334
Changes in assets and liabilities:		
Financial assets at fair value through profit or loss	( 9,412)	( 58,853)
Notes receivable	6,379,705	4,100
Accounts receivable	( 64,911,164)	( 147,805,458)
Accounts receivable - related parties	( 6,463,311)	( 10,177,840)
Inventories	( 125,965,359)	18,919,000
Other receivables	( 3,786,611)	( 2,717,896)
Prepayments	( 1,743,980)	( 527,121)
Accounts payable	116,108,004	83,030,692
Accounts payable - related parties	5,232,965	6,845,670
Accrued expenses	33,779,206	55,775,832
Other payables	( 968,432)	883,660
Accrued warranty liabilities	7,863,653	( 10,001,944)
Income tax payable	5,313,499	( 762,297)
Receipts in advance	( 1,223,747)	22,096,389
Other current liabilities	1,569,014	403,067
Deferred income tax	( 5,042,428)	( 60,056)
Accrued pension liabilities	( 26,712)	39,095
Net cash provided by operating activities	101,207,991	179,805,072
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of property, plant and equipment	( 91,666,421)	( 70,144,320)
Decrease in other financial assets - non-current	15,744,557	43,731,078
Increase in other assets	( 13,185,355)	( 14,444,913)
Acquisition of land use right	( 2,545,301)	( 502,553)
Increase in long-term equity investments	( 854,579)	( 2,806,699)
Acquisition of financial assets carried at cost	( 963,826)	( 6,093,326)
Proceeds from disposal of property, plant and equipment	4,495,537	6,093,536
Financial assets / liability at fair value through profit or loss	( 112,185)	( 384,917)
Proceeds from disposal of funds and investments	2,339,899	12,548,867
Acquisition of available-for-sale financial assets	-	( 7,740,334)
Acquisition of subsidiary and assets, net of cash acquired	( 1,278,561)	-
Acquisition of buy patent right	-	( 3,448,500)
Proceeds from disposal of land use right	1,855,833	102,608
Net cash used in investing activities	( 86,170,402)	( 43,089,473)

(continued)



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

	<u>2011</u>	<u>2012</u>
	NT\$	NT\$
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Increase in short-term loans	\$ 47,184,885	\$ 37,049,416
(Decrease) increase in notes and bills payable	( 1,601,976)	2,285
Increase in long-term loans	22,029,600	6,214,600
Increase in bonds payable	18,000,000	45,176,000
Payment of bonds payable	( 17,219,400)	( 3,000,000)
Payment of long-term loans	( 16,128,700)	( 6,653,250)
Increase in other liabilities-other	665,904	648,664
Payment of cash dividends	( 9,661,248)	( 16,033,645)
Increase in minority interest	<u>3,990,913</u>	<u>986,406</u>
Net cash provided by financing activities	<u>47,259,978</u>	<u>64,390,476</u>
Net effect of changes in foreign currency exchange rates	<u>13,254,743</u>	( <u>25,372,752</u> )
Net increase in cash and cash equivalents	75,552,310	175,733,323
Cash and cash equivalents at beginning of year	<u>254,241,323</u>	<u>329,793,633</u>
Cash and cash equivalents at end of year	<u>\$ 329,793,633</u>	<u>\$ 505,526,956</u>
<b><u>Supplemental disclosures of cash flow information:</u></b>		
Cash paid during the year for interest	<u>\$ 4,673,272</u>	<u>\$ 8,928,971</u>
Cash paid during the year for income tax	<u>\$ 17,021,446</u>	<u>\$ 24,697,266</u>
Cash paid for the acquisition of property, plant and equipment		
Increase in property, plant and equipment	\$ 108,335,664	\$ 93,450,555
Add: Payable – beginning balance	11,197,683	28,177,904
Less: Payable – ending balance	( 28,177,904)	( 49,996,281)
Effect of changes in foreign currency exchange rates	<u>310,978</u>	( <u>1,487,858</u> )
Cash paid	<u>\$ 91,666,421</u>	<u>\$ 70,144,320</u>
Investing activities with no cash flow effect:		
Unrealized gain (loss) on financial instruments		
Adjustment for change in value of available-for-sale financial assets	(\$ 8,892,143)	\$ 2,026,951
Valuation of long-term investments accounted for under the equity method	( <u>2,570,264</u> )	<u>339,619</u>
	<u>(\$ 11,462,407)</u>	<u>\$ 2,366,570</u>

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 28, 2013.

**HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2011 AND 2012**

**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT AS OTHERWISE INDICATED)**

**1. HISTORY AND ORGANIZATION**

Hon Hai Precision Industry Co., Ltd. (the Company) was established on February 20, 1974. The Company began to be listed on the Taiwan Stock Exchange in June 1991. The Company merged with Premier Image Technology Corporation (Premier Corp.) on December 1, 2006. The main activities of the Company are the manufacture, processing and sales of connectors, cable, enclosures, 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. As of December 31, 2012, the Company's issued and outstanding capital was \$118,358,665; the Company and its subsidiaries had approximately 1,290,000 employees.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying consolidated financial statements of the Company and its subsidiaries (collectively referred herein as the Group) are prepared in accordance with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and accounting principles generally accepted in the Republic of China. The Group's significant accounting policies are summarized below:

**1) Basis for preparation of consolidated financial statements**

A. All majority-owned subsidiaries and controlled entities are included in the consolidated financial statements. Effective January 1, 2008, the Company prepares consolidated financial statements on a quarterly basis. The income (loss) of the subsidiaries is included in (excluded from) the consolidated statement of income effective on the date the Company gains (losses) control over the subsidiaries. Significant intercompany transactions and assets and liabilities arising from intercompany transactions are eliminated.

B. Subsidiaries included in the consolidated financial statements and their changes in 2012:

<u>Investor</u>	<u>Subsidiaries</u>	<u>Main operating activities</u>	<u>Ownership</u>		<u>Note</u>
			<u>2011.12.31</u>	<u>2012.12.31</u>	
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 in engaged in manufacturing, sale, research and development of computer cases, connectors and computer components.	100%	100%	(3)

<u>Investor</u>	<u>Subsidiaries</u>	<u>Main operating activities</u>	<u>Ownership</u>		<u>Note</u>
			<u>2011.12.31</u>	<u>2012.12.31</u>	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Ltd. and subsidiaries	Investment holdings in Asia-Pacific and America hi-tech companies	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.	97.50%	97.50%	
"	Bao Shin International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in development and sale of computer systems, 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%	
"	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.	Investment holdings in R.O.C. companies	100%	100%	

<u>Investor</u>	<u>Subsidiaries</u>	<u>Main operating activities</u>	<u>Ownership</u>		<u>Note</u>
			<u>2011.12.31</u>	<u>2012.12.31</u>	
Hon Hai Precision Industry Co., Ltd.	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.	Manufacture and design of cellular phone and camera lens and packaging of sensors	100%	100%	
"	Premier Image Technology -Hong Kong Limited and subsidiaries	Manufacture and sale of camera	99.96%	99.96%	
"	Foxconn SA B.V. and subsidiaries	Investment holdings of Russian domestic sales companies	97.76%	97.76%	
"	Margini Holdings Limited and subsidiaries	Investment holdings in Vietnam export processing and construction services companies and Brazil domestic sales companies.	100%	100%	

<u>Investor</u>	<u>Subsidiaries</u>	<u>Main operating activities</u>	<u>Ownership</u>		<u>Note</u>
			<u>2011.12.31</u>	<u>2012.12.31</u>	
Hon Hai Precision Industry Co., Ltd.	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.	80%	80%	

(1) The financial statements of consolidated subsidiaries as of and for the years ended December 31, 2011 and 2012 were audited by independent accountants.

(2) For the relevant information on indirectly owned subsidiaries of the Company, please refer to Note 11.

(3) Changes in the consolidated subsidiaries

- a. In October, 2011, a subsidiary of the Company acquired 100% of Scientific-Atlanta Holdings B.V. and Scientific-Atlanta de Mexico, S. de R.L. de C.V., which were consolidated effective the acquisition date.
  - b. From July, 2011 to March, 2012, a subsidiary of the Company disposed 70% of Shenzhen Futaihong Bright Real Estate Co., which was excluded from consolidation effective in March, 2012, the date on which the Company lost control over the subsidiary.
  - c. In the first half of 2012, a subsidiary of the Company acquired 95.18% and 68% ownership in Interface Optoelectronics (Shenzhen) Co., Ltd. and Interface Technology (Chengdu) Co., Ltd., respectively, which were consolidated effective the acquisition date. However, the subsidiary made adjustments to its investments in the two investees subsequently in the fourth quarter of 2012 for business consideration, which resulted to a loss of control over them. Thus, the two investees were excluded from consolidation effective the date on which the subsidiary lost control over them.
  - d. In the first half of 2012, a subsidiary of the Company acquired 50.48% ownership in Synergy Technology (Chengdu) Co., Ltd., which was consolidated effective the acquisition date.
  - e. In December, 2012, a subsidiary of the Company acquired 100% ownership in Excel Victory Ltd. and its subsidiaries, which were consolidated effective the acquisition date.
- C. Majority-owned subsidiaries that were not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Special operating risks of the foreign subsidiaries: No significant special operating risks that would affect the financial statements.
- F. Significant restriction on remittance of funds from the foreign subsidiaries to the Company: None.
- G. The Company's common stock owned by its subsidiary:

As of December 31, 2011 and 2012, Hon Jin International Investment Co., Ltd. owned 1,184,375 and 1,302,812 shares, respectively, of the Company's common stock at a cost of \$18,901.

H. Information on new issuance of convertible bonds and common stock by subsidiaries: The issuance of convertible bonds and new common stock by subsidiaries had no significant effect on stockholders' equity of the parent company.

2) Translation of financial statements of foreign subsidiaries into New Taiwan Dollars

Assets and liabilities of foreign subsidiaries are translated into New Taiwan dollars using the exchange rates at the balance sheet date. Equity accounts are translated at historical rates except for beginning retained earnings, which is carried forward from prior year's balance. Dividends are translated at the rates prevailing at the date of declaration. Profit and loss accounts are translated at weighted-average rates of the year. The resulting translation differences are included in "cumulative translation adjustments" under stockholders' equity.

3) Criteria for classifying assets and liabilities as current or 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:

- 1) Assets arising from operating activities that are expected to be realized or consumed, or are intended to be sold within the normal operating cycle;
- 2) Assets held mainly for trading purposes;
- 3) Assets that are expected to be realized within twelve months from the balance sheet date; and
- 4) 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:

- 1) Liabilities arising from operating activities that are expected to be paid off within the normal operating cycle;
- 2) Liabilities arising mainly from trading activities;
- 3) Liabilities that are to be paid off within twelve months from the balance sheet date; and
- 4) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

4) Use of estimates

The preparation of financial statements in conformity with R.O.C. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the amounts of revenues and expenses reported during the period. Actual results could differ from those assumptions and estimates.

5) Foreign currency transactions

A. Transactions denominated in foreign currencies are translated into functional currency at the spot exchange rates prevailing at the transaction dates. Exchange gains or losses due to the difference between the exchange rate on the transaction date and the exchange rate on the date of actual receipt and payment are recognized in current year's profit or loss.

- B. Monetary assets and liabilities denominated in foreign currencies are translated at the spot exchange rates prevailing at the balance sheet date. Exchange gains or losses are recognized in profit or loss. However, exchange gains or losses on overseas inter-company accounts that are, in nature, deemed long term is accounted for as a reduction in stockholders' equity.
- C. Non-monetary items that are measured at fair value are translated using the exchange rates prevailing at the balance sheet date. When a gain or loss on a non-monetary item is recognized directly in equity, any exchange component of that gain or loss shall be recognized directly in equity. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss shall be recognized in profit or loss. However, non-monetary items that are measured on a historical cost basis are translated using the exchange rate at the date of the transaction.

6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that meet both the following criteria:

- a) Readily convertible to known amount of cash; and
- b) Subject to an insignificant risk of changes in value resulting from fluctuations in interest rate.

The statement of cash flows is compiled under the cash and cash equivalents basis.

7) Financial assets and financial liabilities at fair value through profit or loss

- A. Equity investments are recognized using trade date accounting. Debt instruments are recognized and derecognized using settlement date accounting. All are recognized initially at fair value. A fixed price commitment between trade date and settlement date meets the definition of a derivative except for a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned is recognized using trade date accounting or settlement date accounting.
- B. Financial assets or liabilities at fair value through profit or loss are subsequently re-measured and stated at fair value, and the gain or loss is recognized in profit or loss. The fair value of listed stocks, OTC stocks, closed-end mutual funds and deposit receipts is based on latest quoted fair prices of the accounting period. The fair value of open-end and balanced mutual funds is based on the net asset value at the balance sheet date.
- C. For derivatives that do not qualify for hedge accounting, if the derivative is an option, then the transaction is recognized at fair value on the trade date, and if the derivative is not an option, then the transaction is recognized at zero fair value on the trade date.
- D. The derivative features (such as call options and put options) embedded in bonds payable issued by the Company are described in Note 2 (20).

8) Available-for-sale financial assets

- A. Equity investments are recognized using trade date accounting. Bond investments are recognized and derecognized using settlement date accounting and are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.
- B. Available-for-sale financial assets are measured and stated at fair value, and the gain or loss is recognized in equity. The cumulative fair value changes are reclassified to profit and loss upon

derecognition of the financial assets. The fair value of listed stocks, OTC stocks, closed-end mutual funds and deposit receipts is based on latest quoted fair prices of the accounting period. The fair value of open-end and balanced mutual funds is based on the net asset value at the balance sheet date.

- C. If there is any objective evidence that the financial asset is impaired; the cumulative loss that had been recognized directly in equity shall be transferred from equity to profit or loss. Impairment losses recognized previously in profit or loss for an investment in an equity instrument shall not be reversed through profit or loss, and if, subsequently, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognized in profit or loss.

9) Financial assets carried at cost

- A. Investment in unquoted equity instruments is recognized using trade date accounting and is recognized initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.
- B. If there is any objective evidence that the financial asset is impaired; the impairment loss is recognized in profit or loss. Such impairment loss cannot be reversed.

10) Settlement date accounting

If an entity recognizes financial assets using settlement date accounting, any change in the fair value of the asset to be received during the period between the trade date and the settlement date / balance sheet date is not recognized for assets carried at cost or amortized cost. For financial asset or financial liability classified as at fair value through profit or loss, the change in fair value is recognized in profit or loss. For available-for-sale financial assets, the change in fair value is recognized directly in equity.

11) Notes and accounts receivable, other receivables

- A. Notes and accounts receivable are claims generated from the sale of goods or services. Other receivables are those receivables arising from transactions other than the sale of goods or services. Notes receivable, accounts receivable and other receivables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method.
- B. The Group assesses whether objective evidence of impairment exists individually or collectively for financial assets that are not individually significant. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is recognized and 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. If the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in profit or loss.

12) Inventories

The perpetual inventory system is adopted for inventory recognition. Inventories are stated at cost. The



cost is determined using the weighted-average method. At the end of period, inventories are evaluated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost and net realizable value. The calculation of net realizable value is based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses. As the value of raw materials declines and the cost of finished goods is over the net realizable value, the net realizable value of raw materials is determined based on current replacement cost.

13) Long-term equity investments accounted for under the equity method

- A. Long-term equity investments in which the Group holds more than 20% of the investee company's voting shares or has the ability to exercise significant influence on the investee's operational decisions are accounted for under the equity method. The excess of the initial investment cost over the acquired net asset value of the investee attributable to goodwill is no longer amortized from 2006. Retrospective adjustment of the amount of goodwill amortized in previous years is not required. Goodwill is subject to tests of impairment on an annual basis. The excess of acquired net asset value of investee over the initial investment cost is allocated proportionately and applied as a reduction to the book values of identifiable non-current assets, and any remaining amount of such excess after this allocation is credited to extraordinary gains.
- B. Long-term investment in which the Group holds more than 50% of the investee company's voting shares or has the ability to control the investee's operational decisions are accounted for under the equity method and included in the consolidated financial statements on a quarterly basis.
- C. Exchange differences arising from translation of the financial statements of overseas investee companies accounted for under the equity method are recorded as "cumulative translation adjustments" in proportion to the Company's ownership under stockholders' equity.

14) Property, plant and equipment

- A. Property, plant and equipment are stated at cost. Costs incurred to bring the assets to the condition and location necessary for their intended uses are capitalized. Significant servicing or betterments capable of generating future economic benefits are capitalized and depreciated accordingly. Maintenance and repairs are expensed as incurred.
- B. Depreciation is provided under the straight-line method based on the assets' estimated economic service lives. The useful lives of property, plant and equipment are 3 to 9 years, except for buildings, the useful life of which is 6 to 51 years.

15) Goodwill and other intangible assets

- A. The excess of the initial acquisition cost over the fair value of the acquired identifiable tangible and intangible assets is attributable to goodwill.
- B. Royalties paid on the acquisition of technical patent authorization are stated at cost and amortized on a straight-line basis over its estimated economic life.

16) Deferred charges and other assets

- A. The costs of telephone network installation charges, computer software, molding and tools equipment are recorded as deferred charges and amortized over their estimated economic lives on a

straight-line basis.

B. Land use rights are stated at cost and amortized over the lease period using the straight-line method.

17) Impairment of non-financial assets

The Group recognizes impairment loss when there is indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction after deducting any direct incremental disposal costs. The value in use is the present value of estimated future cash flows to be derived from continuing use of the asset and from its disposal at the end of its useful life. When the impairment no longer exists, the impairment loss recognized in prior years shall be reversed. The recoverable amount of goodwill shall be evaluated periodically. Impairment loss will be recognized whenever the recoverable amount of the goodwill is less than its carrying amount. Impairment loss of goodwill recognized in prior years is not reversed in the following years.

18) Warranty obligation

Warranty obligation is recognized based on the estimated warranty cost per unit and the number of units sold during the period.

19) Pension plan

Under the defined benefit pension plan, net periodic pension costs are recognized in accordance with the actuarial calculations. Net periodic pension costs include service cost, interest cost, and expected return on plan assets, and amortization of unrecognized net transition obligation and actuarial gains or losses. Unrecognized net transition obligation is amortized on a straight-line basis over 15 years. Under the defined contribution pension plan, net periodic pension costs are recognized as incurred.

20) Bonds payable

For bonds issued with embedded conversion, put, or call option feature after January 1, 2006, the issuer shall classify the issuance price based on the substance of the contractual arrangement on initial recognition, and recognize the elements separately as a financial asset, financial liability, or an equity instrument.

These bonds are accounted for as follows:

- A. The difference between the issue price and face value of convertible corporate bonds is accounted for as premium or discount which is required to be amortized over the period from the date of issuance to maturity date using the interest method and is recorded as "interest expense".
- B. The value of any derivative features (such as a call option and put option) embedded in the compound financial instrument is recognized as "financial assets or financial liabilities at fair value through profit or loss". These derivative features are subsequently re-measured and stated at fair value on each balance sheet date, and the gain or loss is recognized in "gain or loss on valuation of financial assets or financial liabilities". At the maturity of the redemption period, if the fair value of common stock exceeds the redemption price, the fair value of the put option is recognized as "capital reserve"; however, if the fair value of common stock is lower than the redemption price, the fair value of the put option is recognized as "gain or loss".

- C. A conversion right embedded in the bonds issued by the Company, which is convertible to an equity instrument, is recognized in “capital reserve from conversion right”. When a bondholder exercises his/her conversion rights, the liability component of the bonds (including corporate bonds and embedded derivatives) shall be revalued at fair value on the conversion date, and the resulting difference shall be recognized as “gain or loss” in the current period. The book value of the common stock issued due to the conversion shall be based on the adjusted book value of the above-mentioned liability component plus the book value of the stock conversion option.
- D. Costs incurred on issuance of convertible bonds are proportionately charged to the liabilities and equities of the underlying instruments based on initial recognition amount.
- E. In the event that the bondholders may exercise put options within the following year, the underlying bonds payable shall be reclassified to current liabilities. The bonds payable whose put options are unexercised during the exercisable period shall be reclassified to non-current liabilities.

#### 21) Income tax

- A. Income tax expense is provided based on accounting income after adjusting for permanent differences. The provision for income tax includes deferred income tax for the expected future tax consequences of events that have been included in different periods for financial or tax reporting purposes. Deferred income tax assets and liabilities are determined using enacted tax rates in effect for the year(s) in which the differences are expected to reverse. Valuation allowance on deferred income tax assets is recognized to the extent that it is more likely than not that the income tax benefits will not be realized. Over or under provision of income tax from the previous years is recorded as adjustment to the current year’s income tax expense. In accordance with the ROC Income Tax Law, the company’s undistributed income is subject to an additional 10% corporate income tax. The tax is charged to income tax expense after the appropriation of earnings is approved by the stockholders in the following year.
- B. Income tax credits are provided for in accordance with R.O.C. SFAS No. 12, "Accounting for Income Tax Credits". Income tax credits arising from acquisitions of equipment or technology, expenditures for research and development, training and development of employees and investments in qualified stocks are charged to deferred income tax assets and credited to income tax expense in the period the related expenditures are incurred.
- C. Effective January 1, 2006, the Company adopted the Income Basic Tax Act (the “Act”). Under the Act, the income tax payable shall be the higher of the basic tax and the regular income tax in accordance with the Income Tax Law and other relevant laws.
- D. As a result of the amendment of the Income Tax Law, the Company recalculated its deferred tax assets and liabilities and recorded the resulting difference in the current year’s income tax benefit or expense.

#### 22) Government grants

In accordance with R.O.C. SFAS No. 29, “Government Grants”, government grants related to assets are recognized as deferred income; for depreciable assets, it is recognized as income over the useful life period of the asset in proportion to which depreciation expense on those assets is recognized. For non-depreciable assets that require the fulfillment of certain obligations, it would then be recognized

as income over the periods that bear the cost of meeting the obligations. If the government grant relates to receiving financial consideration, it is recognized as income when earned, or as deferred income (shown as “other liabilities”) and recognized in periods over which the grant will be earned.

23) Treasury stock

A. When shares are bought back by the Company, the treasury stock is accounted for as a deduction of the equity.

B. Any excess of the proceeds over the cost of the treasury stock reissued is recognized as an increase in additional paid-in capital from the treasury stock transaction and if the proceeds are less than the cost, the deficit is charged to the additional paid-in capital account. Should the paid-in capital in excess of par value of common stock balance be insufficient to absorb the deficit, the balance is charged to retained earnings.

C. Treasury stock cost is determined using the weighted-average cost method.

D. The Company's common stock owned by its subsidiaries is treated as treasury stock.

24) Share-based payment - employee compensation plan

Based on the employee stock options and the share-based payment agreements, the Company shall measure the services received during the vesting period by reference to the fair value of the equity instruments granted and account for those amounts as payroll expenses during that period.

25) Employees' bonuses and directors' and supervisors' remuneration

Effective January 1, 2008, pursuant to EITF 96-052 of the Accounting Research and Development Foundation, R.O.C., dated March 16, 2007, “Accounting for Employees' Bonuses and Directors' and Supervisors' Remuneration”, the costs of employees' bonuses and directors' and supervisors' remuneration are accounted for as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and the amounts can be estimated reasonably. However, if the accrued amounts for employees' bonuses and directors' and supervisors' remuneration are significantly different from the actual distributed amounts resolved by the stockholders at their annual stockholders' meeting subsequently, the differences shall be recognized as gain or loss in the following year. In addition, according to EITF 97-127 of the Accounting Research and Development Foundation, R.O.C., dated March 31, 2008, “Criteria for Listed Companies in Calculating the Number of Shares of Employees' Stock Bonus”, the Company calculates the number of shares of employees' stock bonus based on the closing price of the Company's common stock at the previous day of the stockholders' meeting held in the year following the financial reporting year, after taking into account the effects of ex-rights and ex-dividends.

26) Earnings per share

Basic earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period. Diluted earnings per share is calculated by taking into account the potentially dilutive securities which are assumed to have been converted to common stock at the beginning of the period. Anti-dilutive potential common shares are ignored in calculating dilutive earnings per share.

27) Revenues and expenses

Revenues are recognized when the earning process is substantially completed and are realized or

realizable. Related costs are recognized to match the timing of revenue recognition. Expenses, including research and development costs, are recognized as incurred.

28) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

In accordance with R.O.C. SFAS No. 41, "Operating Segments", segment information is disclosed in the consolidated financial statements rather than in the separate financial statements of the Company.

3. CHANGES IN ACCOUNTING PRINCIPLES

1) Notes and accounts receivable, other receivables

Effective January 1, 2011, the Group adopted the amendments of R.O.C. SFAS No. 34, "Financial Instruments: Recognition and Measurement". The Group recognizes impairment loss on notes receivable, accounts receivable and other receivables when there is an objective evidence of impairment. As a result of the adoption of the amended SFAS No. 34, the Group's consolidated net income increased by \$982,020 and consolidated earnings per share increased by \$0.09 (in dollars) for the year ended December 31, 2011.

2) Operating segments

Effective January 1, 2011, the Group adopted the newly issued R.O.C. SFAS No. 41, "Operating Segments" to replace the original R.O.C. SFAS No. 20, "Segment Reporting". This change in accounting principle had no significant effect on net income and earnings per share for the year ended December 31, 2011.

4. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Cash on hand	\$ 4,201,508	\$ 6,157,872
Checking accounts	4,011,744	4,618,703
Savings deposits	105,922,445	132,081,859
Time deposits	<u>206,682,107</u>	<u>353,871,385</u>
	320,817,804	496,729,819
Cash equivalents	<u>8,975,829</u>	<u>8,797,137</u>
	<u>\$ 329,793,633</u>	<u>\$ 505,526,956</u>

Cash equivalents include the Sweep Fund.

(2) Financial assets and liabilities at fair value through profit or loss

	<u>December 31, 2011</u>	
	<u>Book value</u>	<u>Contract amount (Nominal principal) (in thousands)</u>
<u>Current assets</u>		
Open-end funds	\$ 24,412	-
Forward exchange contracts	45,917	HUF(BUY) 1,107,070
		JPY(BUY) 245,283
		MXN(BUY) 28,090
		RMB(BUY) 815,616
		USD(BUY) 12,249
		EUR(SELL) 16,500
		INR(SELL) 290,008
		USD(SELL) 123,096
	<u>\$ 70,329</u>	
<u>Non-current assets</u>		
Forward exchange contracts	(\$ 251,834)	BRL(BUY) 15,078
		CHF(BUY) 2,220
		EUR(BUY) 4,137
		HUF(BUY) 2,631,660
		MXN(BUY) 688,646
		USD(BUY) 634,437
		EUR(SELL) 8,500
		INR(SELL) 39,050
		RMB(SELL) 4,035,869
		USD(SELL) 65,700
	<u>(\$ 251,834)</u>	

	December 31, 2012	
	Book value	Contract amount (Nominal principal) (in thousands)
<u>Current asset</u>		
Open-end funds	\$ 83,265	
Forward exchange contracts	56,955	KRW(BUY) 1,949,780 RMB(BUY) 1,582,660 MXN(BUY) 143,772 USD(BUY) 75,061 EUR(BUY) 68 RMB(SELL) 437,972 INR(SELL) 276,824 USD(SELL) 262,800
	<u>\$ 140,220</u>	
<u>Non-current asset</u>		
Designated as at fair value through profit loss		
Corporate bonds	<u>\$ 179,300</u>	
<u>Current liabilities</u>		
Forward exchange contracts	(\$ 66,767)	MXN(BUY) 714,991 USD(BUY) 153,903 JPY(BUY) 7,388 RMB(SELL) 879,519 USD(SELL) 55,950 BRL(SELL) 10,872 EUR(SELL) 6,600 INR(SELL) 1,295
	<u>(\$ 66,767)</u>	

- 1) For the year ended December 31, 2011, the Group recognized a net loss of \$461,550, including unrealized loss of \$205,917.
- 2) For the year ended December 31, 2012, the Group recognized a net gain of \$31,090, including unrealized loss of \$9,812.
- 3) On March 27, 2012, the Company's board of directors resolved to sign an equity subscription contract for the Company and its subsidiary, Foxconn (Far East) Limited, to acquire 50,000 and 31,143 thousand shares of a listed company in Japan, Sharp Corporation, in the amount of JPY 27,500,000 thousand and JPY 17,128,650 thousand, respectively, for a total equity interest by the Group of 6.584%. This equity subscription contract meets the recognition criteria of a forward contract specified in ROC SFAS No. 34, "Financial Instruments : Recognition and Measurement". The Company and its subsidiary should evaluate gain or loss based on fair value for this

arrangement and also recognize related financial assets/liabilities. However, the Company could not get the approval for equity settlement because it was unable to provide related documents before July 31, 2012 as required by the competent authorities. As such, this equity subscription contract no longer met the recognition criteria of a forward contract specified in ROC SFAS No. 34. Therefore, the Company and its subsidiary reversed the loss on valuation of financial liabilities and financial liabilities of \$4,513,255 and reversed deferred income tax assets and income tax benefit of \$501,753, on July 31, 2012 as these amounts had been recognized during the six-month period ended June 30, 2012. The net effect of such reversals was \$4,011,502.

(3) Available-for-sale financial assets

	December 31,	
	2011	2012
<u>Current items:</u>		
Listed stocks	\$ 59,990	\$ 57,610
Adjustment of available-for-sale financial assets	614,297	719,800
	<u>\$ 674,287</u>	<u>\$ 777,410</u>
<u>Non-current items:</u>		
Listed stocks	\$ 4,343,859	\$ 5,427,810
Adjustment of available-for-sale financial assets	446,460	2,875,043
	<u>\$ 4,790,319</u>	<u>\$ 8,302,853</u>

1. The fair value of available-for-sale financial assets decreased by \$11,462,407 and increased by \$2,366,570 for the years ended December 31, 2011 and 2012, respectively, and is shown as an adjustment to stockholders' equity as unrealized gain or loss on financial instruments. The transfers from this equity account to loss amounted to \$0 and \$872,963 (shown as "gain on disposal of investment") for the years ended December 31, 2011 and 2012, respectively.
2. The Company's subsidiaries have evaluated the above financial assets and recognized impairment loss of \$363,601 and \$0 for the years ended December 31, 2011 and 2012, respectively.

(4) Notes and accounts receivable

	December 31,	
	2011	2012
Notes receivable	\$ 781,288	\$ 777,187
Accounts receivable	453,197,281	601,002,740
Less: Allowance for doubtful accounts	( 1,835,555)	( 2,224,178)
Allowance for sales allowances	( 1,385,030)	( 1,976,759)
	<u>\$ 450,757,984</u>	<u>\$ 597,578,990</u>

1. The Company factored its accounts receivable to certain financial institutions without recourse. Under the agreement, the Company is not required to bear uncollectible risk of the underlying accounts receivable, but is liable for the losses incurred on any business dispute, and did not provide any collateral. Accordingly, these accounts receivable meet the derecognition criteria for financial assets. The Company has derecognized the accounts receivable sold to financial institutions, net of



the amount estimated for business disputes.

As of December 31, 2011 and 2012, the relevant information of accounts receivable factored but unsettled were as follows:

December 31, 2011					
Institutions	Interest rate (%)	Accounts receivable sold/ derecognized	Amount advanced	Amount retained	Limit
Mega International Commercial Bank	1.70	\$ 3,466,775	\$ 3,466,775	\$ -	\$22,710,000
Taipei Fubon Bank	1.28~1.30	24,224,000	24,224,000	-	43,906,000
Mizuho Corporate Bank	1.07	5,753,200	5,753,200	-	18,168,000
Sumitomo Mitsui Banking Corporation	0.95	10,598,000	10,598,000	-	10,598,000
Standard Chartered Commercial Bank	1.50	340,374	340,374	-	3,633,600
		<u>\$ 44,382,349</u>	<u>\$44,382,349</u>	<u>\$ -</u>	<u>\$99,015,600</u>

December 31, 2012					
Institutions	Interest rate (%)	Accounts receivable sold/ derecognized	Amount advanced	Amount retained	Limit
Mega International Commercial Bank	0.90	\$ 8,712,000	\$ 8,712,000	\$ -	\$21,780,000
Taipei Fubon Bank	0.99	23,232,000	23,232,000	-	36,300,000
Mizuho Corporate Bank	0.94	5,227,200	5,227,200	-	8,712,000
ING Bank, N.V.	1.1205	7,550,400	7,550,400	-	14,520,000
		<u>\$ 44,721,600</u>	<u>\$44,721,600</u>	<u>\$ -</u>	<u>\$81,312,000</u>

- As of December 31, 2011 and 2012, the Group has signed promissory notes amounting to \$3,542,760 (US\$117 million) and \$4,065,600 (US\$140 million) as guarantee for those accounts receivable in commercial dispute, respectively.
- For the years ended December 31, 2011 and 2012, the financing charges (expenses) incurred from accounts receivable factoring were \$482,813 and \$189,662 (shown as “financing charges”), respectively.

(5) Other receivables

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Tax refund receivable	\$ 25,442,053	\$ 30,598,424
Receivable from purchase made on behalf of related parties	1,564,834	1,891,534
Others	<u>7,673,009</u>	<u>5,746,017</u>
	<u>\$ 34,679,896</u>	<u>\$ 38,235,975</u>

(6) Inventories

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Raw materials and supplies	\$ 95,943,901	\$ 87,707,668
Work in process	73,841,392	103,684,540
Finished goods	196,627,104	156,262,122
Inventory in transit	<u>29,648,996</u>	<u>20,496,593</u>
	396,061,393	368,150,923
Less: Allowance for inventory obsolescence and market price decline	( <u>15,539,599</u> )	( <u>18,268,280</u> )
	<u>\$ 380,521,794</u>	<u>\$ 349,882,643</u>

Expenses and losses incurred on inventories for the years ended December 31, 2011 and 2012 were as follows:

	<u>For the years ended December 31,</u>	
	<u>2011</u>	<u>2012</u>
Cost of inventories sold	\$ 3,181,209,951	\$ 3,573,047,465
Loss on inventory obsolescence and market price decline	4,827,280	2,777,797
Others	<u>261,558</u>	( <u>58,977</u> )
	<u>\$ 3,186,298,789</u>	<u>\$ 3,575,766,285</u>

(7) Financial assets carried at cost

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Emerging stocks and unlisted stocks	<u>\$ 4,046,796</u>	<u>\$ 8,620,722</u>

These investments have no active quoted market price and their fair values cannot be measured reliably. Therefore, they were measured at cost.

(8) Long-term equity investments accounted for under the equity method

<u>Investee Company</u>	<u>December 31, 2011</u>		<u>December 31, 2012</u>	
	<u>Ownership</u>	<u>Book value</u>	<u>Ownership</u>	<u>Book value</u>
	<u>Percentage</u>		<u>Percentage</u>	
	<u>(%)</u>		<u>(%)</u>	
Foxconn Technology Co., Ltd.	30	\$16,680,857	30	\$18,671,104
Zhen Ding Technology Holding Limited	43	7,644,526	41	8,444,318
Pan International Industrial Corporation	27	2,797,361	27	2,959,223
G-Tech Optoelectronics Corporation	31	2,440,357	28	2,943,407
Simplo Technology Co., Ltd.	9	2,074,231	9	2,231,052
ESON Precision Ind. Co. Ltd.	29	1,345,316	29	1,491,078
Ampower Holding Limited - Cayman	45	941,679	45	818,234
Others		<u>6,335,330</u>		<u>6,933,631</u>
		40,259,657		44,492,047
Add: Prepaid long-term investment		<u>1,545</u>		<u>982,430</u>
		<u>\$40,261,202</u>		<u>\$45,474,477</u>

- 1) For the years ended December 31, 2011 and 2012, the investment income recognized under the equity method amounted to \$3,151,898 and \$2,792,985, respectively.
- 2) For the years ended December 31, 2011 and 2012, cash dividends declared by the investee companies accounted for under the equity method amounted to \$596,865 and \$978,316, respectively, and were shown as a reduction to the book value of long-term investments accounted for under the equity method.

(9) Property, plant and equipment

	<u>December 31, 2011</u>		
	<u>Original cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
Land	\$ 4,225,808	\$ -	\$ 4,225,808
Buildings and improvements	151,455,281	( 31,385,787)	120,069,494
Machinery	246,249,077	( 85,373,074)	160,876,003
Molding equipment	3,633,968	( 2,241,472)	1,392,496
Testing equipment	24,948,040	( 14,378,776)	10,569,264
Furniture and fixtures	15,863,541	( 10,252,415)	5,611,126
Tooling equipment	3,270,354	( 1,340,102)	1,930,252
Miscellaneous equipment	43,977,326	( 20,425,230)	23,552,096
Prepayments for equipment and construction in progress	<u>31,579,244</u>	<u>-</u>	<u>31,579,244</u>
	<u>\$ 525,202,639</u>	<u>(\$ 165,396,856)</u>	<u>359,805,783</u>
Less: Accumulated impairment			( <u>4,432,302</u> )
			<u>\$ 355,373,481</u>

	December 31, 2012		
	Original cost	Accumulated depreciation	Net book value
Land	\$ 3,900,934	\$ -	\$ 3,900,934
Buildings and improvements	166,307,528	( 39,502,668)	126,804,860
Machinery	285,431,007	( 101,166,810)	184,264,197
Molding equipment	2,741,721	( 2,105,513)	636,208
Testing equipment	24,704,409	( 14,936,486)	9,767,923
Furniture and fixtures	15,292,609	( 10,981,400)	4,311,209
Tooling equipment	3,539,459	( 1,115,235)	2,424,224
Miscellaneous equipment	48,275,054	( 21,436,638)	26,838,416
Prepayments for equipment and construction in progress	36,008,944	-	36,008,944
	<u>\$ 586,201,665</u>	<u>(\$ 191,244,750)</u>	394,956,915
Less: Accumulated impairment			( 4,658,696)
			<u>\$ 390,298,219</u>

The Group recognized impairment loss of \$201,378 and \$3,427,380 (shown as “impairment loss”) in 2011 and 2012, respectively.

For the years ended December 31, 2011 and 2012, the accumulated impairment is as follows:

	2011	2012
Net book value, January 1	\$ 5,220,239	\$ 4,432,302
Increase in current year	201,378	3,427,380
Disposal in current year	( 683,758)	( 2,901,955)
Cumulative translation adjustments	( 305,557)	( 299,031)
Net book value, December 31	<u>\$ 4,432,302</u>	<u>\$ 4,658,696</u>

(10) Intangible assets

1) Business acquisition

In October, 2011, the Company’s subsidiary, PCE Paragon Solutions kft., acquired from Cisco System, Inc. 100% ownership of its subsidiaries, Scientific-Atlanta Holdings BV and Scientific-Atlanta de Mexico S. de R.L. de C.V., for a cost of US\$ 43,697 thousand.

2) Goodwill

	For the years ended December 31,	
	2011	2012
Net book value, January 1	\$ 215,474	\$ 695,266
Increase in current year	483,316	-
Cumulative translation adjustments	( 3,524)	( 189,297)
Net book value, December 31	<u>\$ 695,266</u>	<u>\$ 505,969</u>

The above amount mainly represents goodwill arising from the company's subsidiary's acquisition of Scientific-Atlanta de Mexico S. de R.L. de C.V. in 2011.

3) Patent right

	December 31, 2012		
	<u>Original Cost</u>	<u>Accumulated Amortization</u>	<u>Book Value</u>
Net book value, January 1	\$ -	\$ -	\$ -
Increase in current year	3,448,500	-	3,448,500
Net book value, December 31	<u>\$ 3,448,500</u>	<u>\$ -</u>	<u>\$ 3,448,500</u>

(11) Other assets

	December 31,	
	<u>2011</u>	<u>2012</u>
Land use rights	\$ 21,300,084	\$ 18,493,237
Others	5,050,498	5,102,975
	<u>\$ 26,350,582</u>	<u>\$ 23,596,212</u>

For the years ended December 31, 2011 and 2012, the land use rights were as follows:

	For the years ended December 31,	
	<u>2011</u>	<u>2012</u>
Net book value, January 1	\$ 20,268,938	\$ 21,300,084
Increase in current year	2,545,301	502,553
Disposal in current year	( 1,855,833)	( 2,263,769)
Amortization in current year	( 382,443)	( 392,646)
Cumulative translation adjustments	724,121	( 652,985)
Net book value, December 31	<u>\$ 21,300,084</u>	<u>\$ 18,493,237</u>

Disposal of land use rights in current year includes disposal of subsidiaries.

(12) Short-term loans

	December 31,	
	<u>2011</u>	<u>2012</u>
Credit loans	\$ 189,861,503	\$ 297,551,360
Secured loans	70,661,246	20,805
	<u>\$ 260,522,749</u>	<u>\$ 297,572,165</u>
Interest rates per annum	<u>0.55%~3.6%</u>	<u>0.3554%~5.85%</u>

(13) Short-term notes and bills payable

	December 31,	
	2011	2012
Commercial paper	\$ 8,000,000	\$ 8,000,000
Less: unamortized discount	( 10,688)	( 8,403)
	<u>\$ 7,989,312</u>	<u>\$ 7,991,597</u>
Interest rates per annum	<u>0.998%~1.158%</u>	<u>0.948%~1.028%</u>

(14) Accrued expenses

	December 31,	
	2011	2012
Awards and salaries payable	\$ 25,818,394	\$ 44,352,676
Royalty fees payable	19,727,839	18,565,601
Consumption goods expense payable(including indirect materials)	4,442,314	15,697,913
Employees' bonuses payable	5,874,552	7,247,437
Tax payable (excluding VAT)	2,507,583	4,098,884
Shipping fees payable	2,363,450	3,011,635
Business tax (VAT) payable	3,220,579	2,671,108
Accrued molding expense	230,783	2,654,620
Others	23,137,391	38,924,291
	<u>\$ 87,322,885</u>	<u>\$ 137,224,165</u>

(15) Income tax

1) Income tax expense and income tax payable are reconciled as follows:

	December 31,	
	2011	2012
Income tax expense	\$ 20,601,567	\$ 26,591,950
Changes in deferred income tax	5,042,428	60,056
Less: Prepaid income tax and income tax withheld	( 6,673,379)	( 9,372,641)
Effect of tax rate different from the U.S. branch	( 49,793)	( 69,122)
Over provision of prior years' income tax	( 556,981)	( 315,890)
Add: Income tax payable for prior years	<u>1,575,661</u>	<u>2,282,853</u>
Income tax payable	<u>\$ 19,939,503</u>	<u>\$ 19,177,206</u>

2) As of December 31, 2010 and 2011, the deferred income tax assets and liabilities were as follows:

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Deferred income tax assets	<u>\$ 10,150,273</u>	<u>\$ 10,431,693</u>
Deferred income tax liabilities	<u>(\$ 3,927,601)</u>	<u>(\$ 4,148,965)</u>

3) The temporary differences and related amounts of deferred tax assets (liabilities) are listed as follows:

	<u>December 31,</u>			
	<u>2011</u>		<u>2012</u>	
	<u>Amount</u>	<u>Tax effect</u>	<u>Amount</u>	<u>Tax effect</u>
<b>Current items:</b>				
Allowance for sales allowances	\$ 1,385,030	\$ 235,455	\$ 1,976,759	\$ 336,049
Reserve for inventory obsolescence and market price decline	8,100,008	1,425,601	6,891,828	1,241,694
Unrealized exchange loss (gain)	1,109,138	83,458	( 3,763,506)	( 639,558)
Product warranty	19,312,929	3,298,507	9,291,820	1,579,609
Unrealized expenses	14,755,755	2,829,602	23,629,308	3,857,661
Others	<u>610,818</u>	<u>143,796</u>	<u>1,832,433</u>	<u>375,879</u>
	<u>\$45,273,678</u>	<u>\$ 8,016,419</u>	<u>\$39,858,642</u>	<u>\$ 6,751,334</u>
<b>Non-current items:</b>				
Reserve for pension cost	\$ 875,352	\$ 148,867	\$ 904,575	\$ 153,945
Foreign investment income accounted for under the equity method	( 24,413,045)	( 3,927,601)	( 20,643,569)	( 3,509,407)
Difference from finance and tax due to depreciation expense	3,813,275	957,037	9,566,113	1,557,402
Others	<u>5,784,156</u>	<u>1,027,950</u>	<u>5,294,984</u>	<u>1,329,454</u>
	<u>(\$13,940,262)</u>	<u>(\$ 1,793,747)</u>	<u>(\$ 4,877,897)</u>	<u>(\$ 468,606)</u>

4) As of December 31, 2012, the Company's income tax returns through 2009 have been approved by the R.O.C. Tax Authority.

(16) Bonds payable

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Convertible bonds payable		
2010 1st unsecured euro convertible bonds payable	\$ 31,251,000	\$ 31,251,000
Less: Discount on bonds payable	( 1,260,384)	( 557,938)
Exchange loss	( 931,839)	( 2,171,526)
	<u>29,058,777</u>	<u>28,521,536</u>
Corporate bonds payable		
First unsecured corporate bonds issue in 2005	\$ 5,500,000	\$ 2,500,000
First debenture issue of 2009	6,820,000	6,820,000
First debenture issue of 2010	6,000,000	6,000,000
First debenture issue of 2011	6,000,000	6,000,000
Second debenture issue of 2011	7,050,000	7,050,000
Third debenture issue of 2011	4,950,000	4,950,000
First debenture issue of 2012	-	9,000,000
Second debenture issue of 2012	-	6,000,000
Third debenture issue of 2012	-	8,000,000
Fourth debenture issue of 2012	-	3,300,000
	<u>36,320,000</u>	<u>59,620,000</u>
Foreign bonds		
Foreign unsecured corporate bonds USD-denominated	-	18,876,000
Less: Discount on bonds payable	-	( 105,539)
	<u>-</u>	<u>18,770,461</u>
Total	65,378,377	106,911,997
Less: Current portion	( 3,000,000)	( 31,931,536)
Bonds payable – long-term	<u>\$ 62,378,777</u>	<u>\$ 74,980,461</u>

1) 2010 1st unsecured euro convertible bonds

- A. On August 18, 2010, following the approval from the SFB, the Company issued the 1st unsecured euro zero coupon convertible bonds in the amount of US\$1 billion. These convertible bonds cover a period of three years from October 12, 2010 to October 12, 2013.
- B. The conversion price shall be adjusted based on the terms of the convertible bonds. As of December 31, 2012, the convertible bonds have not been converted. The adjusted conversion price was \$111.592 (in dollars) per share with a fixed exchange rate applicable on bonds of NTD\$31.251=USD\$1.
- C. Under the terms of the convertible bonds, all the repurchased, previously redeemed or converted bonds will be retired and not to be re-issued.



- D. Under the terms of the convertible bonds, the rights and obligations of the new shares converted from convertible bonds are the same as those of the issued and outstanding common stock.
- E. The effective interest rate of the bonds was 2.02%.
- F. The fair value of conversion right in the amount of \$2,034,440 was separated from bonds payable at issuance date, and was recognized in “Capital reserve from conversion right” in accordance with SFAS No. 36.
- G. First unsecured corporate bonds issue in 2010 had been reclassified to “Current liabilities” in the fourth quarter of 2012.

2) First unsecured corporate bonds issue in 2005

- A. On September 14, 2005, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$11,500,000. As of December 31, 2012, Bond Aa to Af, Bond Ba to Bf and Bond Ca to Cf had been redeemed in the amount of \$9,000,000. The amount of the unredeemed bonds is \$2,500,000. 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>Normal interest rate</u>	<u>Payment term</u>
Bond Da to De	September 2005	10 years	\$ 500,000	2.37%	Principal is due at maturity. Interest is paid annually at simple interest rate.

3) First debenture issue of 2009

- A. On January 12, 2009, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,820,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Nominal interest rate</u>	<u>Payment term</u>
October 2009	5 years	\$ 6,820,000	1.72%	Pay half of principal each in the fourth and fifth year. Interest is paid annually at simple interest rate.

- B. 2009 1st unsecured corporate bonds payable of \$3,410,000 had been reclassified to “Current liabilities” in the fourth quarter of 2012.

4) 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 terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Nominal interest rate</u>	<u>Payment term</u>
December 2010	5 years	\$ 6,000,000	1.43%	Pay half of principal each in the fourth and fifth year. Interest is paid annually at simple interest rate.

5) First debenture issue of 2011

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>Nominal interest 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.

6) Second debenture issue of 2011

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>Normal interest 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.

7) Third debenture issue of 2011

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>Nominal interest 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.

8) 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>Nominal interest 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.

9) 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>Nominal interest 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.

10) 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 terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Nominal interest rate</u>	<u>Payment term</u>
August 2012	3 years	\$ 8,000,000	1.18%	Principal is due at maturity. Interest is paid annually at simple interest rate.

11) 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>Nominal interest 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.

12) 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 terms of these foreign unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Nominal interest rate</u>
December 2012	5 years	USD 650 million	2.125%

(17) Long-term loans

<u>Institution</u>	<u>Loan period</u>	<u>December 31, 2011</u>	<u>Limit</u>
Mizuho Corporate Bank Ltd., etc. syndicated loan	2008/8/21~2013/8/21	\$ 12,263,400	(USD405 million)
"	2008/9/11~2013/9/11	13,626,000	(USD450 million)
ING Bank, N.V. etc. syndicated loan	2010/10/22~2015/10/22	5,681,100	(EUR145 million)
Mizuho Corporate Bank Ltd., etc. syndicated loan	2011/3/31~2014/3/31	19,920,600	(JPY51 billion)
China Development Industrial Bank	2011/8/12~2014/8/12	2,000,000	(NTD2.5 billion)
First Commercial Bank	2011/11/30~2026/11/30	109,000	(NTD2.5 billion)
		\$ 53,600,100	
Interest rate		<u>0.7729%~1.8040%</u>	

<u>Institution</u>	<u>Loan period</u>	<u>December 31, 2012</u>	<u>Limit</u>
Mizuho Corporate Bank Ltd., etc. syndicated loan	2008/8/21~2013/8/21	\$ 11,761,200	(USD405 million)
"	2008/9/11~2013/9/11	6,534,000	(USD225 million)
ING Bank, N.V. etc. syndicated loan	2010/10/22~2015/10/22	5,581,050	(EUR145 million)
Mizuho Corporate Bank Ltd., etc. syndicated loan	2011/3/31~2014/3/31	17,156,400	(JPY51 billion)
China Development Industrial Bank	2011/8/12~2014/8/12	2,000,000	(NTD2.5 billion)
First Commercial Bank	2011/11/30~2026/11/30	763,000	(NTD2.5 billion)
Mizuho Corporate Bank Ltd.	2012/6/28~2015/6/28	3,742,703	(JPY11 billion)
Citibank	2012/9/21~2015/9/20	1,464,804	(USD50 million)
		\$ 49,003,157	
Less: Current portion		( 18,295,200)	
		\$ 30,707,957	
Interest rate		<u>0.638%~1.6803%</u>	

- 1) In 2008, 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 and obtained a credit line in the amount of US\$ 1,035 million, of which US\$ 405 million had been repaid in advance. As of December 31, 2012, the credit line is US\$ 630 million, and the Company is the guarantor of the loan.
- 2) Part of the syndicated loan with Mizuho Corporate Bank Ltd. as the lead bank, amounting to US\$630 million, had been reclassified to 'current liabilities' in the third quarter of 2012.
- 3) Foxconn Slovakia, SPOL. S R.O., a subsidiary of the Company, entered into a syndicated credit facility agreement with ING Bank N.V. etc. as the lead bank and obtained a credit line in the amount of EUR 410 million, of which EUR 265 million had been repaid in advance in the fourth quarter of 2011. Starting from the fourth quarter in 2011, the credit line amounted to EUR 145 million, and the Company is the guarantor of the loan.
- 4) Throughout the term of Mizuho Corporate Bank Ltd., China Development Industrial Bank, First Commercial Bank, etc. syndicated term loan agreement, the Group shall maintain the agreed financial ratios, to be tested semi-annually and annually on an audited consolidated basis.

(18) Retirement plan

- 1) The Company participates in a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees for services provided prior to July 1, 2005, and employees who choose to remain in the defined benefit pension plan subsequent to the enforcement of the Labor Pension Act on July 1, 2005. The Company contributes on a monthly basis an amount equal to 2.1%

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.

A. In 2011 and 2012, the related actuarial assumptions used to calculate the pension liability were as follows:

	<u>2011</u>	<u>2012</u>
Discount rate	1.90%	1.75%
Rate of increase in compensation	3.00%	3.00%
Expected return rate on plan assets	1.90%	1.75%

B. Funded status of the pension plan

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Benefit obligation:		
Vested benefit obligation	(\$ 274,377)	(\$ 359,171)
Non-vested benefit obligation	( 1,081,451)	( 1,154,451)
Accumulated benefit obligation	( 1,355,828)	( 1,513,622)
Additional benefits based on future salary increases	( 552,906)	( 592,195)
Projected benefit obligation	( 1,908,734)	( 2,105,817)
Fair value of plan assets	<u>621,909</u>	<u>645,316</u>
Funded status	( 1,286,825)	( 1,460,501)
Unrecognized net transition obligation	2,735	222
Unrecognized actuarial loss	<u>412,748</u>	<u>559,591</u>
Accrued pension liability	(\$ 871,342)	(\$ 900,688)
Vested benefit	<u>\$ 302,126</u>	<u>\$ 392,289</u>

C. In 2011 and 2012, the details of net pension cost were as follows:

	<u>2011</u>	<u>2012</u>
Service cost	\$ 36,377	\$ 33,119
Interest cost	29,126	36,266
Expected return on plan assets	( 10,530)	( 11,816)
Amortization of unrecognized net transition obligation	2,513	2,513
Amortization of unrecognized actuarial loss	<u>2,314</u>	<u>15,848</u>
Net periodic pension cost	<u>\$ 59,800</u>	<u>\$ 75,930</u>

2) Effective July 1, 2005, in accordance with the Labor Pension Act, the Company has a defined contribution employee retirement plan covering all domestic employees. The Company contributes monthly an amount based on 6% of employees' monthly salaries and wages to the employees' personal pension accounts with the Bureau of Labor Insurance. Employees may choose to receive pension on a monthly basis or as lump sum payment upon retirement wherein the amount of

benefits is the account balance plus accumulated investment gains. The pension expenses under this plan amounted to \$301,182 and \$305,101 for the years ended December 31, 2011 and 2012, respectively.

- 3) 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 and the subsidiaries do not have further pension liabilities.
- 4) As of December 31, 2011 and 2012, the subsidiaries which participated in defined contribution pension plans recognized reserve according to the respective local laws for retirement plan in the amount of \$192,958 and \$202,707, respectively. Pension expenses in the amount of \$7,959,174 and \$15,269,556 were recognized for the years ended December 31, 2011 and 2012, respectively.

(19) Capital stock

- 1) As of December 31, 2012, the Company's authorized shares were 12,230,000 thousand shares (including 200 million shares reserved for employee stock options or convertible bonds) and the issued and outstanding common stock were 11,835,867 thousand shares with a par value of \$10 (in dollars) per share.
- 2) On June 18, 2012, the Company's shareholders adopted a resolution to increase the authorized shares to 15 billion shares and approved employees' stock bonus amounting to \$5,874,552 for 2011. The employee stock bonus of 77,860 thousand shares was determined based on the closing price of \$75.45 (in dollars) on June 15, 2012, the previous day of the 2012 shareholders' meeting after taking into account the effects of ex-rights and ex-dividends. In addition, the Company's shareholders adopted a resolution to issue stock dividends at par value amounting to \$10,689,097.
- 3) 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, comprising 50 million shares of common stock (Deposited Shares). The issuance amounted to USD347,250 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 months 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 subject to the terms of the Deposit Agreement and applicable laws of the R.O.C.

D. As of December 31, 2012, 157,010,000 units of GDRs were outstanding, which represents 314,019 thousand shares of common stock.

(20) Share-based payment - employee compensation plan

As of December 31, 2011 and 2012, the share-based payment transactions of Foxconn International Holdings Limited, a subsidiary of the Company (listed on the Stock Exchange of Hong Kong), are set forth below:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u>	<u>Contract period</u>	<u>Vesting conditions/ Restricted terms</u>
Employee stock options	September 12, 2007	2,400,000	1 ~ 6 years	Note (1)
"	July 8, 2011	256,159,719	1 ~ 3 years	"
Share appreciation rights	January 1, 2006	7,343,564	1 ~ 3 years	-
Other share-based payment plans	December 29, 2006	5,748,145	-	Note (2)
"	July 24, 2007	502,090	-	Note (3)
"	December 28, 2007	20,459,322	-	Note (4)
"	October 29, 2009	26,161,489	-	-
"	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)
"	December 28, 2012	135,564,990	-	Note (6)

Note 1: Vested upon completion of certain years' service.

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.



1) 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 weighted-average 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>Expected price volatility</u>	<u>Expected dividend yield rate</u>	<u>Risk-free interest rate</u>	<u>Fair value per share (US\$)</u>
September 12, 2007(A)	19.46	20.63	36%	-	3.92%	0.86
July 8, 2011	3.62	3.62	37%	-	0.297%~ 0.667%	0.11

For the years ended December 31, 2011 and 2012, the weighted-average exercise price of employee stock options outstanding were US\$0 and US\$0.7 (in dollars) per share, respectively, and expenses incurred on employee stock options transactions were \$404,788 (US\$13,773 thousand) and \$245,461 (US\$8,301 thousand), respectively. Details of the employee stock options are set forth below:

<u>Employee Stock Options (In shares)</u>	<u>For the years ended December 31,</u>	
	<u>2011</u>	<u>2012</u>
Options outstanding at beginning of year	227,459,105	253,061,762
Options granted	256,159,719	-
Options exercised	-	(29,548,295)
Options revoked	(230,105,486)	(17,138,833)
Options canceled	(451,576)	-
Options outstanding at end of year	<u>253,061,762</u>	<u>206,374,634</u>
Options exercisable at end of year	<u>1,600,000</u>	<u>51,323,616</u>

2) Share appreciation rights

There is no stock appreciation rights outstanding as of December 31, 2011 and 2012.

3) Other share-based payment plans

These share-based payments were granted to employees. For the years ended December 31, 2011 and 2012, expenses incurred on other share-based payments were \$1,434,996 (US\$48,826 thousand) and \$1,946,238 (US\$65,818 thousand), respectively.

(21) Capital reserve

1) Pursuant to the R.O.C. Company Law, 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.

2) Please see Note 4 (16) for information on “Capital reserve from conversion right”.

(22) Retained earnings

1) 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 after tax and distribution pursuant to clause (A);

C. Setting aside a special reserve in accordance with applicable legal and regulatory requirement;

D. 8% as bonuses to employees; qualified employees include employees of affiliates per criteria set by Board of Directors; and

E. the remainder shall be distributed pursuant to the proposal of the board of directors in accordance with the Company’s dividend policy.

The Company’s dividend policy requires the board of directors to consider the Company’s budget for future capital expenditures and funding needs when proposing the distribution of earnings. The proposal should be resolved during the Stockholders’ Meeting. Dividends may be distributed in the form of cash or shares, or a combination of both, provided, however, that share dividends distributed in respect of any fiscal year shall not exceed 90 percent of total dividends to stockholders.

2) 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.

3) The details of the undistributed earnings were as follows:

	<u>December 31,</u>	
	<u>2011</u>	<u>2012</u>
Before new tax system was adopted	\$ 2,163,509	\$ 2,163,509
After new tax system was adopted		
Subjected to additional 10% corporate income tax	241,745,894	288,455,052
Not subjected to additional 10% corporate income tax	<u>81,590,999</u>	<u>94,762,377</u>
	<u>\$ 325,500,402</u>	<u>\$ 385,380,938</u>

4) The details of imputation system were as follows:

	December 31,	
	2011	2012
Balance of stockholders deductible tax account	\$ 36,036,198	\$ 42,643,997
	<u>2011 (Actual)</u>	<u>2012 (Estimated)</u>
Tax deductible rate of earnings distribution	14.07%	13.43%

5) The appropriations of 2010 and 2011 earnings had been resolved at the stockholders' meeting on June 8, 2011 and June 18, 2012, respectively. Details are summarized below:

	2010		2011	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 7,715,455	\$ -	\$ 8,159,100	\$ -
Stock dividends	9,661,248	1.0	10,689,096	1.0
Cash dividends	9,661,248	1.0	16,033,645	1.5
	<u>\$ 27,037,951</u>	<u>\$ 2.0</u>	<u>\$ 34,881,841</u>	<u>\$ 2.5</u>

As of March 25, 2013, the distribution of 2012 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.

6) The estimated amounts of employees' bonus and directors' and supervisors' remuneration are \$5,874,552 and \$0 for 2011, and \$6,822,891 and \$0 for 2012, respectively, based on a certain percentage (8% and 0%) of net income, and are recognized as operating costs and expenses in current year. The information on employees' bonus and directors' and supervisors' remuneration is posted on the "Market Observation Post System" at the website of the TSEC. The employee stock bonus amounting to \$5,874,552 for 77,860 thousand shares were determined based on the closing price of the Company's common stock, \$75.45 (in dollars), on June 18, 2012, the previous day of the 2012 shareholders' meeting after taking into account the effects of ex-rights and ex-dividends.

(23) Earnings per common share

	For the year ended December 31, 2011				
	Amount		Number of shares (in thousands)	Earnings per common share (in dollars)	
	Before tax	After tax		Before tax	After tax
Basic earnings per share:					
Consolidated net income	\$102,536,200	\$81,934,633	11,756,704	\$ 8.72	\$ 6.97
Minority interest	( 822,095)	( 343,634)		( 0.07)	( 0.03)
Net income attributable to equity holders of the Company	<u>\$101,714,105</u>	<u>\$81,590,999</u>		<u>\$ 8.65</u>	<u>\$ 6.94</u>
Diluted earnings per share:					
Consolidated net income	\$102,536,200	\$81,934,633		\$ 8.46	\$ 6.76
Minority interest	( 822,095)	( 343,634)		( 0.07)	( 0.03)
Dilutive effect of stock equivalents:					
Convertible bonds-overseas	645,094	535,428	280,047	0.06	0.05
Employees' bonus-2011	-	-	77,949	-	-
Net income attributable to equity holders of the Company	<u>\$102,359,199</u>	<u>\$82,126,427</u>	<u>12,114,700</u>	<u>\$ 8.45</u>	<u>\$ 6.78</u>
	For the year ended December 31, 2012				
	Amount		Number of shares (in thousands)	Earnings per common share (in dollars)	
	Before tax	After tax		Before tax	After tax
	Basic earnings per share:				
Consolidated net income	\$118,379,091	\$91,787,141	11,798,513	\$ 10.03	\$ 7.78
Minority interest	3,104,865	2,975,236		0.27	0.25
Net income attributable to equity holders of the Company	<u>\$121,483,956</u>	<u>\$94,762,377</u>		<u>\$ 10.30</u>	<u>\$ 8.03</u>
Diluted earnings per share:					
Consolidated net income	\$118,379,091	\$91,787,141		\$ 9.73	\$ 7.55
Minority interest	3,104,865	2,975,236		0.26	0.24
Dilutive effect of stock equivalents:					
Convertible bonds-overseas	666,334	553,057	280,047	0.05	0.05
Employees' bonus-2012	-	-	84,423	-	-
Net income attributable to equity holders of the Company	<u>\$122,150,290</u>	<u>\$95,315,434</u>	<u>12,162,983</u>	<u>\$ 10.04</u>	<u>\$ 7.84</u>

- 1) The number of shares had retroactively been adjusted by the stock dividends as of December 31, 2012.
- 2) Effective January 1, 2008, as employees' bonus could be distributed in the form of stock, the diluted EPS computation shall assume that distribution will be in the form of stocks in the calculation of the weighted-average number of common shares outstanding during the reporting year, taking into account the dilutive effects of stock bonus on potential common shares; whereas, the basic EPS shall be calculated based on the weighted-average number of common shares outstanding during the reporting year, which shall include the shares of employees' stock bonus from the appropriation of prior year earnings, which have already been resolved at the stockholders' meeting held in the reporting year.

(24) Personnel, depreciation and amortization expenses

	<u>For the years ended December 31,</u>	
	<u>2011</u>	<u>2012</u>
<u>Cost of sales</u>		
Personnel expenses		
Salaries	\$ 110,968,317	\$ 170,937,676
Labor and health insurances	5,386,897	8,054,777
Pension	6,207,278	12,738,742
Others	2,198,788	8,663,199
	<u>\$ 124,761,280</u>	<u>\$ 200,394,394</u>
Depreciation	<u>\$ 35,896,812</u>	<u>\$ 47,362,616</u>
Amortization	<u>\$ 3,240,287</u>	<u>\$ 3,995,479</u>
<u>Operating expenses</u>		
Personnel expenses		
Salaries	\$ 50,821,014	\$ 57,660,705
Labor and health insurances	2,443,243	3,648,094
Pension	2,112,878	2,911,845
Others	1,006,995	4,627,149
	<u>\$ 56,384,130</u>	<u>\$ 68,847,793</u>
Depreciation	<u>\$ 9,764,585</u>	<u>\$ 10,798,926</u>
Amortization	<u>\$ 2,554,057</u>	<u>\$ 5,726,306</u>

## 5. RELATED PARTY TRANSACTIONS

### 1) Names of related parties and their relationship with the Company

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Foxconn Technology Co., Ltd. and subsidiaries (FTCS)	Investee company accounted for under the equity method
Pan International Industrial Corporation and subsidiaries (PIICS)	"
Zhen Ding Technology Holding Limited (ZDT-Cayman)	An indirectly-owned investee company accounted for under the equity method
Foxsemicon Integrated Technology, Inc. and subsidiaries (FITIS)	"
CyberTAN Technology, Inc. and subsidiaries (CyberTANS)	"
Innolux Corporation and subsidiaries (Formerly Chimei Innolux Corporation) (Innoluxs)	The Company's chairman is the major shareholder
SIO International Holdings Limited and subsidiaries (SIOS)	"
Foxconn (Far East) Limited	Subsidiary of the Company
Foxconn Slovakia, SPOL. S R.O.	Indirect investment subsidiary of the Company
Hongfujin Precision Electronics (Chengdu) Limited (Hongfujin (Chengdu))	"
Competition Team Technologies Ltd. (Competition Team)	"
Competition Team Ireland Ltd. (Competition Ireland)	"

All the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. Except for transactions with the above related parties, there were no other material transactions between related parties and the Company for the years ended December 31, 2011 and 2012. Information on transactions with subsidiaries is disclosed in Note 11.

### 2) Significant transactions and balances with related parties

#### A. Sales

	<u>For the years ended December 31,</u>			
	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>
FTCS	\$ 83,882,312	2	\$ 87,221,471	2
Innoluxs	18,552,703	1	15,230,714	1
SIOS	-	-	9,783,784	-
CyberTAN	6,757,308	-	3,382,280	-
Others	<u>1,837,644</u>	-	<u>2,515,312</u>	-
	<u>\$ 111,029,967</u>	<u>3</u>	<u>\$ 118,133,561</u>	<u>3</u>

- (1) The sales prices and credit terms to related parties were not significantly different from sales to 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. The credit term is disclosed in Note 11(1) 7).
- (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.

#### B. Purchases

	For the years ended December 31,			
	2011	%	2012	%
FTCS	\$ 36,978,255	1	\$ 35,752,218	1
ZDT-Cayman	27,340,972	1	34,202,749	1
Innoluxs	16,890,277	1	27,072,913	1
PIICS	5,748,369	-	11,718,497	-
Others	3,478,012	-	4,746,415	-
	<u>\$ 90,435,885</u>	<u>3</u>	<u>\$ 113,492,792</u>	<u>3</u>

The purchase prices and payment terms to related parties were not significantly different from purchases from 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. The payment terms to third parties are between 30 to 90 days.

#### C. Accounts receivable - related parties

	December 31,			
	2011	%	2012	%
FTCS	\$ 15,187,492	3	\$ 20,953,928	3
SIOS	-	-	8,938,992	2
Innoluxs	7,183,713	2	3,579,516	1
Others	2,920,606	-	1,997,215	-
	<u>\$ 25,291,811</u>	<u>5</u>	<u>\$ 35,469,651</u>	<u>6</u>

#### D. Prepayment

	December 31,	
	2011	2012
Others	\$ 44,225	\$ 44,225

#### E. Other receivables

The Group purchased materials on behalf of Innoluxs and FTCS, etc. As of December 31, 2011 and 2012, other receivables amounted to \$1,565,834 and \$1,891,534, respectively.

F. Accounts payable - related parties

	December 31,			
	2011	%	2012	%
FTCS	\$ 15,986,100	3	\$ 18,228,693	3
ZDT-Cayman	6,424,374	1	8,479,854	1
Innoluxs	3,046,793	1	4,029,040	1
PIICS	1,917,629	-	4,009,801	1
Others	1,394,281	-	867,459	-
	<u>\$ 28,769,177</u>	<u>5</u>	<u>\$ 35,614,847</u>	<u>6</u>

As of December 31, 2011 and 2012, a portion of accounts payable to FTCS in the amount of \$3,453,063 and \$2,962,332, respectively, pertains to purchases of materials made by FTCS on behalf of the Group.

G. Property transactions

For the year ended December 31, 2011				
Counterparty	Transaction	Sales / purchase price	Gain on disposal	Receivables/(payables) at December 31, 2011
FTCS, Innoluxs, ZDT-Cayman, PIICS	Sale of fixed assets	\$ 808,617	\$ 2,043	\$ 312,527
FTCS, Innoluxs, Cyber TANS, PIICS, FITIS and ZDT-Cayman	Acquisition of fixed assets	389,431	-	( 93,543)
For the year ended December 31, 2012				
Counterparty	Transaction	Sales / purchase price	Gain on disposal	Receivables/(payables) at December 31, 2012
FTCS, Innoluxs, ZDT-Cayman, PIICS	Sale of fixed assets	\$ 669,105	\$ 11,615	\$ 304,796
FTCS, Innoluxs, ZDT-Cayman, PIICS and FITIS	Acquisition of fixed assets	2,128,458	-	( 161,827)
Innoluxs	Acquisition of interest	115,404	-	-



## H. Guarantees

Endorsements and guarantees provided for the related parties as of December 31, 2011 and 2012 are as follows:

	<u>December 31, 2011</u>	<u>December 31, 2012</u>
Foxconn (Far East) Limited	\$ 25,879,995	\$ 53,884,030 <u>(USD 1,330 million)</u>
Foxconn Slovakia SPOL. S R.O.	\$ 20,603,999 <u>(USD 855 million)</u>	\$ 15,207,905 <u>and JPY 45 billion)</u> <u>(EUR 526 million)</u>
Competition Ireland	\$ -	\$ 2,904,100 <u>(USD 100 million)</u>
Competition Team	\$ -	\$ 27,248,800 <u>(USD 700 million)</u>
Hongfujin (Chengdu)	\$ -	\$ 5,182,150 <u>and RMB 1.5 billion)</u> <u>(USD 50 million)</u> <u>and JPY 11 billion)</u>

## I. Salaries/rewards information of key management:

	<u>For the years ended December 31,</u>	
	<u>2011</u>	<u>2012</u>
Salaries and bonuses	\$ 166,889	\$ 120,805
Service execution fees	960	1,729
Employees' bonuses	362,242	356,087
Share-based payment expenses	132,255	33,887
Total	<u>\$ 662,346</u>	<u>\$ 512,508</u>

- (A) Salaries and bonuses include regular wages, special responsibility allowances, pensions, various bonuses and rewards, etc.
- (B) Service execution fees include travel or transportation allowances, special expenditures, various allowances, housing and vehicles offering, etc.
- (C) Employees' bonuses were those amounts estimated and accrued in the statement of income for the current year.
- (D) Share-based payment expenses were the compensation costs accounted for under R.O.C SFAS No. 39.
- (E) The relevant information above is shown in the Company's annual report.

## 6. PLEDGED ASSETS

As of December 31, 2011 and 2012, the assets pledged as collateral were as follows:

Assets	Nature	December 31,	
		2011	2012
		Book value	Book value
Time deposits and cash (shown as other financial assets - current)	Short-term loans	\$ 46,741,750	\$ 947,222
Time deposits and cash (shown as other financial assets non-current)	Short-term loans, bond deposit as security for court proceedings, security deposit for employment of foreign employees and customs deposits	24,179	854,748
		<u>\$ 46,765,929</u>	<u>\$ 1,801,970</u>

## 7. COMMITMENTS AND CONTINGENT LIABILITIES

- 1) The Company entered into several contracts for the acquisition of machinery with total value of approximately \$18,049 million. As of December 31, 2012, the unpaid balance on these contracts amounted to \$4,204 million.
- 2) As of December 31, 2012, the Company's subsidiaries' future minimum lease payments for factories and employees' dormitory were approximately \$1,877 million as follows:

Year	Amount (in millions)
2013	\$ 538
2014	449
2015	383
2016	251
2017 and thereafter	256
	<u>\$ 1,877</u>

- 3) 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.
- 4) The subsidiary, Syntrend Creative Park Co. Ltd., entered into a "Private Participation in Construction and Operation of Taipei Information Park and Parking Lots" contract with Taipei City Government, and the royalty shall be paid in accordance with the contract time schedule.

## 8. SIGNIFICANT CATASTROPHE

None.

## 9. SUBSEQUENT EVENTS

- 1) On January 7, 2013, following the approval from the SFB, the Company issued the 2012 1st domestic unsecured bonds in the amount of \$11,150,000.

- 2) On January 16, 2013, Hongfujin Precision Industrial (Shenzhen) Co., Ltd., a subsidiary of the Company, sold the shares of Interface Optoelectronics (Shenzhen) Co., Ltd. to Blooming Progress Limited in the amount of US\$39,500 thousand.
- 3) The Company's subsidiary, Foxconn (Far East) Ltd., prices the unsecured corporate bonds ("Bonds") guaranteed by the Company amounting to JPY 14 billion under the Medium-Term Note programme. The term of the Bonds is 3 years plus 1 day. There are two series of the Bonds, one is JPY 10 billion Bonds issued at a fixed rate of 1.28% and the other is JPY 4 billion Bonds issued at a floating rate of 3-month Libor plus 1.10%.
- 4) The Company's board of directors resolved on March 25, 2013 for a subsidiary of the Company to sell its 25% ownership in Mediamarkt (China) International Retail Holding Ltd. (Mediamarkt) including Mediamarkt's two subsidiaries in China namely, MediaMarkt (Shanghai) Consulting Service Company Limited and MediaMarkt (Shanghai) Commercial & Trading Company Limited, to Media-Saturn China-Holding Limited in the amount of US\$17,500 thousand.

#### 10. OTHERS

##### 1) Fair value of financial instruments

	December 31, 2011			
	Book value	Fair value		Note
		Quotation in an active market	Estimated using a valuation technique	
<b>Non-derivative financial instruments</b>				
<b>Assets:</b>				
Financial assets with fair values equal to book values	\$ 887,265,074	\$ -	\$887,265,074	A
Open-end funds	24,412	24,412	-	B
Available-for-sale financial assets	5,464,606	5,464,606	-	C
Financial assets carried at cost - non-current	4,046,796	-	4,046,796	D
Refundable deposits	1,323,105	-	1,316,389	E
<b>Liabilities:</b>				
Financial liabilities with fair values equal to book values	971,524,706	-	971,524,706	A
Long-term bonds payable	62,378,777	-	60,894,339	F
<b>Derivative financial instruments</b>				
<b>Assets:</b>				
Forward exchange contracts	45,917	-	45,917	G
<b>Liabilities:</b>				
Forward exchange contracts	251,834	-	251,834	G

December 31, 2011				
<u>Off-balance sheet financial instruments</u>	<u>Book value</u>	<u>Fair value</u>		<u>Note</u>
		Quotation in an active market	Estimated using a valuation technique	
Guarantees-USD	\$ 25,879,995 (US\$ 855,000 thousand)	\$ -	\$ 25,879,995 (US\$ 855,000 thousand)	H
Guarantees-EUR	20,603,999 (EUR\$ 526,000 thousand)	-	20,603,999 (EUR\$ 526,000 thousand)	H

  

December 31, 2012				
<u>Non-derivative financial instruments</u>	<u>Book value</u>	<u>Fair value</u>		<u>Note</u>
		Quotation in an active market	Estimated using a valuation technique	
<u>Assets:</u>				
Financial assets with fair values equal to book values	\$1,177,758,794	\$ -	\$1,177,758,794	A
Open-end funds	83,265	83,265	-	B
Available-for-sale financial assets	9,080,263	9,080,263	-	C
Financial assets carried at cost - non-current	8,620,722	-	8,620,722	D
Refundable deposits	879,643	-	867,760	E
<u>Liabilities:</u>				
Financial liabilities with fair values equal to book values	1,230,780,334	-	1,230,780,334	A
Long-term bonds payable	74,980,461	-	69,980,009	F
<u>Derivative financial instruments</u>				
<u>Assets:</u>				
Forward exchange contracts Financial assets at fair value through profit or loss	56,955	-	56,955	G
Corporation bonds	179,300	-	179,300	G
<u>Liabilities:</u>				
Forward exchange contracts	66,767	-	66,767	G

Off-balance sheet financial instruments	December 31, 2012			
	Book value	Fair value		Note
		Quotation in an active market	Estimated using a valuation technique	
Guarantees-USD	\$ 60,309,380 (US\$ 2,180,000 thousand)	\$ -	\$ 63,309,380 (US\$ 2,180,000 thousand)	H
Guarantees-EUR	15,207,905 (EUR\$ 396,000 thousand)	-	15,207,905 (EUR\$ 396,000 thousand)	H
Guarantees-JPY	18,989,600 (JPY\$56,000,000 thousand)	-	18,989,600 (JPY\$56,000,000 thousand)	H
Guarantees-RMB	6,920,100 (RMB1,500,000 thousand)	-	6,920,100 (RMB1,500,000 thousand)	H

The methods and assumptions used to estimate the fair values of the above financial instruments are summarized below:

- A. For short-term instruments, the fair values were determined based on their carrying values because of the short maturities of the instruments. This method was applied to cash and cash equivalents, notes and accounts receivable, other receivables, short-term loans, notes and accounts payable, accrued expenses, current portion of long-term liabilities, other payables and other current liabilities.
- B. For Open-ended funds, the fair values were determined based on the funds' net assets at December 31, 2011 and 2012.
- C. Available-for-sale financial assets are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. If the market for a financial instrument is not active, the fair values are determined using a valuation technique. The fair values of available-for-sale financial assets are based on the quotation in the active markets as of December 31, 2011 and 2012.
- D. As financial assets carried at cost are not quoted in an active market and their fair value cannot be measured reliably, they are measured at cost.
- E. The fair value of refundable deposits is based on the present value of expected future cash flows, and the discount rate is based on the fixed rate of the one year time deposit given by the Post Office as of December 31, 2011 and 2012.
- F. The fair value of convertible bonds issued after January 1, 2006 is based on the present value of expected cash flows amount. The discount rate is the effective interest rate of convertible bonds in the current market, whose contractual terms are similar to those of convertible bonds issued by the

Company.

G. The fair values of derivative financial instruments which include unrealized gain or loss on unsettled contracts were determined based on the amounts to be received or paid assuming that the contracts were settled as of the reporting date.

H. The fair value of guarantees was based on the contract amounts.

2) Financial instruments with off-balance sheet credit risk

Please see Note 5. 2) H.

3) Financial risk control

A. 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, credit risk, liquidity risk, and cash flow risk. Except for market risk, which is controlled by outside factors, the remainder of the foregoing types of risk can be controlled internally or removed from business processes. Therefore, the goal in managing each of these risks is to reduce them to zero.

As for market risk, the goal is to optimize its overall position through strict 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.

B. The risk management and control system of the Group is administered within a framework of stratified responsibility:

- (1) The board of directors formulates and approves the procedures; the senior officers designated by the board make regular and unscheduled assessments of management procedures, organizational structure, transaction flows, and whether there are any abnormal circumstances;
- (2) The legal department reviews and examines transaction agreements;
- (3) The finance department makes suggestions with regard to transactions and is responsible for carrying them out;
- (4) The accounting department manages the accounts;
- (5) The audit department undertakes audits.

Under this framework, with its strict adherence to proper segregation of duties and adequate internal control procedures, the Group seeks to minimize the potential adverse effects on the Group's financial performance.

4) Material financial risk information

A. Market risk

(1) Foreign exchange risk:

The Group's major purchase and sale transactions are conducted in USD. The fair value changes along with the foreign exchange rate fluctuations. However, the amounts and periods of the Group's accounts receivable and accounts payable are roughly equivalent, so the market risk could mostly be offset. When temporary gap rises, the Group would enter into the forward

contract to hedge the risk. Accordingly, the Group expects no material risk as a whole.

(2) Futures market risk:

The Group is exposed to price risk because of investments in futures market instruments, which have fair value in the active market. The Group sets limits to control the transaction volume and the stop-loss amount of derivatives to reduce its futures market risk. As a result, there is no significant future market risk.

(3) Interest rate risk:

The long-term bonds issued by the Group all have fixed interest rates, so there is no interest rate risk.

(4) Stock price risk:

A. Issued by the Company:

The overseas convertible bonds issued by the Company are compound instruments, which include the conversion rights, call option, and put option. Except that the fair value of the bonds would be changed due to changes in market interest rate, their fair value is mainly subject to the changes in the Company's stock price. The Company could exercise the call option to mitigate the stock price risk adequately.

B. Held by the Company:

Though price of available-for-sale financial assets and financial assets carried at cost held by the Company fluctuates with the effects of market, it will not affect operating income but stockholders' equity of current year. Accordingly, the Company expects no material risk as a whole.

(5) Certain transactions of the Group involve non-functional currencies which are exposed to exchange rate fluctuations. The information on foreign currency denominated monetary assets and liabilities which are significantly affected by exchange rate fluctuation is as follows:

(Foreign Currency: Functional Currency)

	December 31,			
	2011		2012	
	Foreign currency amount	Exchange rate	Foreign currency amount	Exchange rate
	<u>(In thousands)</u>	<u>rate</u>	<u>(In thousands)</u>	<u>rate</u>
<u>Financial Assets</u>				
<u>Monetary item</u>				
USD : NTD	\$ 16,044,545	30.28	\$ 16,638,351	29.04
USD : RMB	4,118,073	6.2933	8,337,943	6.2305
CZK : EUR	4,065,821	0.0390	4,085,757	0.0398
<u>Net effect in consolidated entities with foreign currency</u>				
USD : NTD	16,132,709	30.28	19,012,423	29.04
EUR : NTD	215,299	39.18	258,270	38.49

	December 31,			
	2011		2012	
	Foreign currency amount (In thousands)	Exchange rate	Foreign currency amount (In thousands)	Exchange rate
<u>Financial Liabilities</u>				
<u>Monetary item</u>				
USD : RMB	\$ 11,775,142	6.2933	\$ 16,937,054	6.2305
USD : NTD	11,235,440	30.28	12,226,807	29.04
JPY : NTD	74,763,422	0.3906	64,256,794	0.3364
JPY : RMB	23,475,230	0.0812	53,075,694	0.0722

#### B. Credit risk

##### (1) Receivables:

With respect to receivables of the Group, most of the debtors are well-known international companies with very good credit standing and have no history of significant default. Moreover, the adequacy of the allowance for doubtful accounts is assessed regularly, so there is no material credit risk.

##### (2) Financial market:

- i. The forward and futures transactions entered into by the Group are done with financial institutions with very good credit standing. The Group does not expect these financial institutions to default. Consequently, the likelihood that the credit risk would occur is low.
- ii. Convertible bonds payable of the Company were issued in the primary market, so that the Company is not exposed to credit risk that may arise from counterparties in the secondary market.

##### (3) Asset transactions:

The Group has investments in available-for-sale financial assets and financial assets that are measured at cost. Although the potential for credit risk does exist, there is an active market for available-for-sale financial assets, and for financial assets measured at cost, the Group performs impairment testing regularly. Moreover, the Group evaluated the counterparties' credit standing when it entered into the transaction. Although the potential for credit risk does exist, the Group does not expect material credit risk accordingly.

#### C. Liquidity risk

##### (1) Foreign exchange transactions:

For forward foreign exchange transactions entered into by the Group, the targets of the transactions are all currencies traded in international foreign exchange markets with high trading volumes and a large number of traders bidding. Trading is active with high liquidity. Therefore, no material liquidity risk is expected.



(2) Futures transactions:

For futures transactions entered into by the Group, orders are placed on future exchanges in New York, Chicago or London. The numbers of available future targets and international market participants are adequate to facilitate easy entry and exit. Therefore, no material liquidity risk is expected.

(3) Working capital:

The Group has good operating and credit conditions as well as sufficient working capital, so it expects no significant liquidity risk arising from insufficient capital to meet contract obligations.

(4) Convertible bonds:

(a) Overseas convertible bonds payable

The Company issued overseas convertible bonds in the amount of US\$1 billion on October 12, 2010. The bonds will mature on October 12, 2013. The bondholders have no put options in the bonds. The Company expects no significant liquidity risk.

D. Cash flow risk from movements of interest rates

(1) Long-term liabilities:

- i. For the domestic bonds payable issued by the Company, there should be no cash flow risk from movements of interest rates due to the fixed interest rate on the bond.
- ii. As to the overseas bonds payable issued by the Company, there should be no material cash flow risk from movements of interest rates due to the zero interest rate on the bond.
- iii. Although the Company's long-term loans bear short-term-floating-interest rate, current short-term interest rate is much lower than long-term interest rate and is not possible to rise significantly in the near future; thus, the Company expects no significant cash flow risk would arise.

(2) Foreign exchange transactions:

The forward foreign currency transactions entered into by the Group are for the purpose of hedging against short-term gaps of the net positions of foreign currency assets and liabilities. As such, the amounts of the transactions are immaterial and their duration is short. Moreover, because of the equivalent foreign currency cash outflows and inflows, the Group expects no significant funding demand. Therefore, no material cash flow risk is expected from movements of interest rates.

(3) Financial assets:

As the investments in available-for-sale financial assets, financial assets that are measured at cost and futures transactions of the Group are not interest-rate type products, there is no cash flow risk from movements in interest rates.

5) Elimination of intercompany transactions

<u>For the year ended December 31, 2011</u>		
<u>Transactions</u>	<u>Companies</u>	<u>Amount</u>
1) Elimination of long-term investments and stockholders' equity	Hyield Venture Capital Co., Ltd. Foxconn Holding Ltd. Foxconn (Far East) Limited Bao Shin International Investment Co., Ltd. Hon Chi International Investment Co., Ltd. Hon Yuan International Investment Co., Ltd. Lin Yih International Investment Co., Ltd. Premier Image Technology (H.K), Limited Hon Hai/Foxconn Logistics California LLC. Hon Hai/Foxconn Logistics Texas LLC. Altus Technology Inc. Foxconn Singapore (PTE) Ltd. Ambit International Ltd. Margini Holdings Ltd. Image & Vision Investment Corp. Foxconn Holdings B.V. -Netherland Syntrend Creative Park Co., Ltd. Foxconn SA B.V.	\$ 524,911,375
2) Elimination of intercompany receivables, payables and prepayments		
A. Accounts receivable, accounts payable and other receivables/payables	Foxconn Holding Ltd. Foxconn (Far East) Limited Bao Shin International Investment Co., Ltd. Hyield Venture Capital Co., Ltd. Hon Hai/Foxconn Logistics California LLC. Hon Hai/Foxconn Logistics Texas LLC. Foxconn Singapore (PTE) Ltd. Ambit International Ltd. Margini Holdings Ltd. Premier Image Technology (H.K), Limited	981,727,616
B. Prepayments	Foxconn (Far East) Limited Foxconn Holding Ltd.	567,821
3) Elimination of profit and loss		
A. Sales and purchases	Foxconn (Far East) Limited Foxconn Holding Ltd. Foxconn Singapore (PTE) Ltd. Hyield Venture Capital Co., Ltd.	1,908,437,423

For the year ended December 31, 2011		
Transactions	Companies	Amount
	Bao Shin International Investment Co., Ltd.	
	Ambit International Ltd.	
	Hon Chi International Investment Co., Ltd.	
	Altus Technology Inc.	
	Premier Image Technology (H.K), Limited	
	Margini Holdings Ltd.	
B. Logistics expenses	Foxconn (Far East) Limited	\$ 1,348,758
	Hon Hai/Foxconn Logistics California LLC.	
	Hon Hai/Foxconn Logistics Texas LLC.	
C. Processing revenue and expenses	Foxconn (Far East) Limited	99,152,222
D. Unrealized intercompany gross profit	Foxconn (Far East) Limited	2,649,176
	Foxconn Holding Ltd.	
	Ambit International Ltd.	
	Premier Image Technology (H.K), Limited	
	Margini Holdings Ltd.	

For the year ended December 31, 2012		
Transactions	Companies	Amount
1) Elimination of long-term investments and stockholders' equity	Hyield Venture Capital Co., Ltd.	\$ 592,749,679
	Foxconn Holding Ltd.	
	Foxconn (Far East) Limited	
	Bao Shin International Investment Co., Ltd.	
	Hon Chi International Investment Co., Ltd.	
	Hon Yuan International Investment Co., Ltd.	
	Lin Yih International Investment Co., Ltd.	
	Premier Image Technology (H.K), Limited	
	Hon Hai/Foxconn Logistics California LLC.	
	Hon Hai/Foxconn Logistics Texas LLC.	
	Altus Technology Inc.	
	Foxconn Singapore (PTE) Ltd.	
	Ambit International Ltd.	
	Margini Holdings Ltd.	
	Image & Vision Investment Corp.	
	Foxconn Holdings B.V. -Netherland	
	Syntrend Creative Park Co., Ltd.	
	Foxconn SA B.V.	

For the year ended December 31, 2012

Transactions	Companies	Amount
2) Elimination of intercompany receivables, payables and prepayments		
A. Accounts receivable, accounts payable and other receivables/payables	Foxconn Holding Ltd. Foxconn (Far East) Limited Bao Shin International Investment Co., Ltd. Hyield Venture Capital Co., Ltd. Hon Hai/Foxconn Logistics California LLC. Hon Hai/Foxconn Logistics Texas LLC. Foxconn Singapore (PTE) Ltd. Ambit International Ltd. Margini Holdings Ltd. Premier Image Technology (H.K), Limited	\$ 1,131,719,356
B. Prepayments	Foxconn (Far East) Limited Foxconn Holding Ltd.	492,962
3) Elimination of profit and loss		
A. Sales and purchases	Foxconn (Far East) Limited Foxconn Holding Ltd. Foxconn Singapore (PTE) Ltd. Hyield Venture Capital Co., Ltd. Bao Shin International Investment Co., Ltd. Ambit International Ltd. Hon Chi International Investment Co., Ltd. Altus Technology Inc. Premier Image Technology (H.K), Limited Margini Holdings Ltd.	2,389,418,255
B. Logistics expenses	Foxconn (Far East) Limited Hon Hai/Foxconn Logistics California LLC. Hon Hai/Foxconn Logistics Texas LLC.	1,426,388
C. Processing revenue and expenses	Foxconn (Far East) Limited	99,216,499
D. Unrealized intercompany gross profit	Foxconn (Far East) Limited Foxconn Holding Ltd. Ambit International Ltd. Premier Image Technology (H.K), Limited Margini Holdings Ltd.	2,426,897

## 11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURE COMMISSION

### (1) Related information of significant transactions

All the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The disclosure information as follows is for reference only.

- 1) Loans to any company or person: None
- 2) Guarantee information:

Number	Name of the company providing guarantee	Parties being guaranteed		Limit of guarantee for such party	Highest	Outstanding	Amount of guarantee with collateral placed	Ratio of	Ceiling of the outstanding guarantee to the respective party	Note
		Name	Relationship with the Company		outstanding guarantee amount 2012	guarantee amount at 12/31/2012		accumulated guarantee amount to net assets of the Company		
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	A wholly owned subsidiary	\$ -	\$ 56,051,950	\$ 53,884,030	\$ -	8.33%	\$ -	Note 1, 2, 3
0	Hon Hai Precision Industry Co., Ltd.	Foxconn Slovakia, Spol. S R. O.	An indirect wholly-owned subsidiary	-	20,790,255	15,207,905	-	2.35%	-	Note 1, 2, 3
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited	An indirect wholly-owned subsidiary	-	27,436,200	27,248,800	-	4.21%	-	Note 1, 2, 3
0	Hon Hai Precision Industry Co., Ltd.	Honfujin Precision Electronics (Chengdu) Limited	An indirect wholly-owned subsidiary	-	5,622,950	5,182,150	-	0.80%	-	Note 1, 2, 3
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Ireland Limited	An indirect wholly-owned subsidiary	-	2,936,500	2,904,100	-	0.45%	-	Note 1, 2, 3

Note 1: The Company's total endorsements and guarantees to others should not be in excess of the Company's net assets.

Note 2: The Company's endorsements and guarantees provided for a single party should not be in excess 50% of the Company's net assets.

Note 3: The net assets referred above are based on the latest audited or reviewed financial statements.

- 3) Marketable securities held as of December 31, 2012:

Name of investors	Type and name of marketable securities (Note 1)	Relationship with the Company	General ledger accounts (Note 2)	December 31, 2012			
				Number of shares	Book value	Percentage of ownership	Market value/ Net worth
Hon Hai Precision Industry Co., Ltd.	Common stock of Pan International Industrial Corporation	Investee company accounted for under the equity method	(1)	106,178,272	\$ 2,296,398	21	\$ 2,111,036
Hon Hai Precision Industry Co., Ltd.	Common stock of Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	(1)	124,238,234	6,181,682	10	6,117,447
Hon Hai Precision Industry Co., Ltd.	Common stock of Media Tek Inc.	None	(2)	2,134,259	690,433	-	690,433
Hon Hai Precision Industry Co., Ltd.	Common stock of Innolux Co., Ltd. (Formerly Chimei Innolux Corporation)	The Company's chairman is the major shareholder	(3)	137,624,396	2,146,941	2	2,146,941

Note 1: Marketable securities disclosed above include listed stocks and open-end funds only. For other situation, please see Notes 4 (3) (6) and (7).

Note 2: Code of general ledger accounts: (1) Long-term investments accounted for under the equity method

(2) Available-for-sale financial assets-current

(3) Available-for-sale financial assets-non current

4) Marketable securities acquired or sold during 2012 in excess of \$100,000 or over 20% of the company's contributed capital:

Type and name of the marketable securities	General ledger account	Counterparty	Beginning Balance		Addition		Disposal				Ending Balance		
			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	Long-term investments accounted for under the equity method	A wholly owned subsidiary	2,652,946,797	\$ 63,748,370	729,997,990	\$ 21,604,219	-	\$ -	\$ -	\$ -	-	3,382,944,787	\$ 85,352,589
Foxconn Holding Ltd.	Long-term investments accounted for under the equity method	A wholly owned subsidiary	81,289,333	2,486,853	16,310,652	484,924	-	-	-	-	-	97,599,985	2,971,777
Syntrend Creative Park Co., Ltd.	Long-term investments accounted for under the equity method	A wholly owned subsidiary	51,326,000	513,260	64,244,400	642,444	-	-	-	-	-	115,570,400	1,155,704

5) Acquisition of real estate exceeding the amount of \$100,000 or 20% of the Company's contributed capital: None.

6) Disposal of real estate exceeding the amount of \$100,000 or 20% of the Company's contributed capital: None.

7) Related party purchases or sales transactions exceeding the amount of \$100,000 or 20% of the Company's contributed capital:

Company	Counterparty	Relationship with the Company	Transactions		Percentage of total purchases, sales, or other related accounts	Credit terms	Descriptions of and reasons for difference in transaction terms compared to non-related party		Notes and accounts receivable/(payable)		
			Purchases/sales	Amount			Unit price	Terms	Balance	Percentage of total notes and accounts receivable/ payable balance	Note
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and its subsidiaries	Sales	\$ 39,825,230	2	45-90 days	Note 1	Note 1	\$ 36,362,495	7	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn CZ S. R. O.	Indirect wholly owned subsidiary	Sales	16,849,018	1	60 days	Note 1	Note 1	-	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Wholly-owned subsidiary	Sales	9,873,190	1	90 days	Note 1	Note 1	1,948,822	-	
Hon Hai Precision Industry Co., Ltd.	SIO International Inc.	Wholly-owned subsidiary of SIO	Sales	9,555,961	-	60 days	Note 1	Note 1	8,698,808	2	
Hon Hai Precision Industry Co., Ltd.	Foxconn Slovakia, Spol. S R. O.	Indirect wholly-owned subsidiary	Sales	6,786,299	-	60 days	Note 1	Note 1	1,205,220	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Indirect wholly-owned subsidiary	Sales	5,867,759	-	90 days	Note 1	Note 1	1,194,376	-	
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	The Company's chairman is the major shareholder	Sales	4,641,542	-	90 days	Note 1	Note 1	469,585	-	
Hon Hai Precision Industry Co., Ltd.	Ingrasys Technology Co., Ltd.	Indirect wholly-owned subsidiary	Sales	4,066,179	-	60 days	Note 1	Note 1	2,781,452	1	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Optoelectronics Ltd.	Indirect wholly-owned subsidiary of Innolux	Sales	3,207,447	-	90 days	Note 1	Note 1	1,161,217	-	
Hon Hai Precision Industry Co., Ltd.	CyberTAN Technology, Inc.	An indirectly-owned investee company accounted for under the equity method	Sales	2,684,879	-	60 days	Note 1	Note 1	346,315	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Ingrasys Technology USA Inc.	Indirect wholly-owned subsidiary	Sales	1,829,057	-	70 days	Note 1	Note 1	-	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Ennoconn Corporation	Indirect wholly-owned subsidiary	Sales	1,491,504	-	60 days	Note 1	Note 1	377,683	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	Sales	1,279,685	-	60 days	Note 1	Note 1	1,154,671	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of total purchases, sales, or other related accounts	Credit terms	Descriptions of and reasons for difference in transaction terms compared to non-related party		Notes and accounts receivable/(payable)		
			Purchases/sales	Amount			Unit price	Terms	Balance	Percentage of total notes and accounts receivable/ payable balance	Note
Hon Hai Precision Industry Co., Ltd.	Foxteq Australia Pty Ltd.	Indirect wholly-owned subsidiary	Sales	\$ 1,258,130	-	60 days	Note 1	Note 1	\$ 276,616	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Indirect wholly-owned Subsidiary of FTC	Sales	952,322	-	90 days	Note 1	Note 1	153,272	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn Rus, LLC	Indirect wholly-owned subsidiary	Sales	840,496	-	45 days	Note 1	Note 1	109,162	-	
Hon Hai Precision Industry Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Indirect wholly-owned subsidiary	Sales	828,625	-	60 days	Note 1	Note 1	653,432	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Fukui Precision Component (Shenzhen) Co., Ltd.	Indirect wholly-owned subsidiary of ZDT-Cayman	Sales	643,203	-	90 days	Note 1	Note 1	155,977	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Nanhai Chi Mei Electronics Ltd.	Indirect wholly-owned subsidiary of Innolux	Sales	484,298	-	90 days	Note 1	Note 1	145,779	-	
Hon Hai Precision Industry Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Indirect wholly-owned subsidiary	Sales	476,754	-	90 days	Note 1	Note 1	1,963,023	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Fenix Industria de Electronics Ltda.	Indirect wholly-owned subsidiary	Sales	463,609	-	90 days	Note 1	Note 1	134,812	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Electronics Ltd.	Indirect wholly-owned subsidiary of Innolux	Sales	451,685	-	90 days	Note 1	Note 1	120,720	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Global Services Division	Indirect wholly-owned subsidiary	Sales	449,461	-	90 days	Note 1	Note 1	48,485	-	
Hon Hai Precision Industry Co., Ltd.	Nanhai Chi Mei Optoelectronics Corp.	Indirect wholly-owned subsidiary of Innolux	Sales	256,896	-	90 days	Note 1	Note 1	12,200	-	
Hon Hai Precision Industry Co., Ltd.	Fuhongkang Technology (Shenzhen) Co., Ltd.	Indirect wholly-owned subsidiary of CyberTAN	Sales	231,780	-	90 days	Note 1	Note 1	-	-	
Hon Hai Precision Industry Co., Ltd.	SIO International Holdings Limited	The Company's chairman is the major shareholder	Sales	227,822	-	60 days	Note 1	Note 1	240,184	-	
Hon Hai Precision Industry Co., Ltd.	Funing Precision Component Co., Ltd.	Indirect wholly-owned subsidiary	Sales	220,281	-	60 days	Note 1	Note 1	1,227,814	-	Note 2



Company	Counterparty	Relationship with the Company	Transactions		Percentage of total purchases, sales, or other related accounts	Credit terms	Descriptions of and reasons for difference in transaction terms compared to non-related party		Notes and accounts receivable/(payable)		Note
			Purchases/sales	Amount			Unit price	Terms	Balance	Percentage of total notes and accounts receivable/ payable balance	
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Co.	Investee company accounted for under the equity method	Sales	\$ 215,464	-	90 days	Note 1	Note 1	\$ 43,126	-	
Hon Hai Precision Industry Co., Ltd.	Foxstar Technology Co., Ltd.	Investee company accounted for under the equity method	Sales	201,432	-	90 days	Note 1	Note 1	84,631	-	
Hon Hai Precision Industry Co., Ltd.	Ability OPTO-Electronics Technology Co., Ltd.	Investee company accounted for under the equity method	Sales	193,729	-	60 days	Note 1	Note 1	50,578	-	
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	The chairman is a brother of the Company's chairman	Sales	193,649	-	30~90 days	Note 1	Note 1	30,458	-	
Hon Hai Precision Industry Co., Ltd.	Pan International Industrial Electronics (Malaysia)	Indirect wholly-owned subsidiary of PIIC	Sales	118,805	-	90 days	Note 1	Note 1	15,589	-	
Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Indirect wholly-owned subsidiary	Purchase	760,977,081	26	90 days	Note 1	Note 1	( 128,769,081)	( 24)	
Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited	Indirect wholly-owned subsidiary	Purchase	445,389,241	15	90 days	Note 1	Note 1	( 101,807,174)	( 19)	
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Indirect wholly-owned subsidiary	Purchase	400,306,397	14	30~90 days	Note 1	Note 1	( 82,100,323)	( 15)	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and its subsidiaries	Purchase	412,203,558	14	30~90 days	Note 1	Note 1	( 91,657,738)	( 17)	Note 3
Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	Indirect wholly-owned subsidiary	Purchase	163,072,275	6	90 days	Note 1	Note 1	( 18,426,473)	( 3)	
Hon Hai Precision Industry Co., Ltd.	Foxconn CZ S. R. O.	Indirect wholly-owned subsidiary	Purchase	88,053,588	3	60 days	Note 1	Note 1	( 3,997,441)	( 1)	
Hon Hai Precision Industry Co., Ltd.	AMB Logistics Ltd.	Indirect wholly-owned subsidiary	Purchase	23,931,474	1	60 days	Note 1	Note 1	( 741,723)	-	
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	The Company's chairman is the major shareholder	Purchase	7,046,393	-	60 days	Note 1	Note 1	( 1,023,640)	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of total purchases, sales, or other related accounts	Credit terms	Descriptions of and reasons for difference in transaction terms compared to non-related party		Notes and accounts receivable/(payable)		Note
			Purchases/sales	Amount			Unit price	Terms	Balance	Percentage of total notes and accounts receivable/ payable balance	
Hon Hai Precision Industry Co., Ltd.	IRIS World Enterprises Limited	Indirect wholly-owned subsidiary of ZDT-Cayman	Purchase	\$ 4,601,475	-	90 days	Note 1	Note 1	(\$ 495,493)	-	
Hon Hai Precision Industry Co., Ltd.	NSG Technology, Inc.	Indirect wholly-owned subsidiary	Purchase	3,954,048	-	30 days	Note 1	Note 1	-	-	Note 4
Hon Hai Precision Industry Co., Ltd.	Fortune Source Enterprises Limited	Indirect wholly-owned subsidiary of PIIC	Purchase	2,623,306	-	90 days	Note 1	Note 1	( 964,788)	-	
Hon Hai Precision Industry Co., Ltd.	CyberTAN Technology, Inc.	An indirectly-owned investee company accounted for under the equity method	Purchase	1,277,782	-	75 days	Note 1	Note 1	( 97,923)	-	
Hon Hai Precision Industry Co., Ltd.	SIO International Inc.	Wholly-owned subsidiary of SIO	Purchase	893,614	-	90 days	Note 1	Note 1	( 306,390)	-	
Hon Hai Precision Industry Co., Ltd.	Ampower Technology Co., Ltd.	Indirectly-owned investee company accounted for under the equity method	Purchase	466,890	-	90 days	Note 1	Note 1	( 46,453)	-	
Hon Hai Precision Industry Co., Ltd.	FTC Technology Inc.	Indirect wholly-owned subsidiary of FTC	Purchase	466,466	-	60 days	Note 1	Note 1	( 76,268)	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Indirect wholly-owned subsidiary of FTC	Purchase	459,239	-	90 days	Note 1	Note 1	( 89,434)	-	
Hon Hai Precision Industry Co., Ltd.	Foxstar Technology Co., Ltd.	Investee company accounted for under the equity method	Purchase	307,047	-	60 days	Note 1	Note 1	( 98,496)	-	
Hon Hai Precision Industry Co., Ltd.	Tekcon Electronics Corp.	Indirect wholly-owned subsidiary of PIIC	Purchase	254,212	-	45 days	Note 1	Note 1	( 61,893)	-	
Hon Hai Precision Industry Co., Ltd.	FTP Technology Inc.	Indirect wholly-owned subsidiary of FTC	Purchase	192,906	-	60 days	Note 1	Note 1	( 43,414)	-	
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Co.	Investee company accounted for under the equity method	Purchase	192,020	-	90 days	Note 1	Note 1	( 68,249)	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Global Services Division	Indirect wholly-owned subsidiary	Purchase	159,886	-	90 days	Note 1	Note 1	( 159,886)	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of total purchases, sales, or other related accounts	Credit terms	Descriptions of and reasons for difference in transaction terms compared to non-related party		Notes and accounts receivable/(payable)		Note
			Purchases/sales	Amount			Unit price	Terms	Balance	Percentage of total notes and accounts receivable/ payable balance	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd	Investee company accounted for under the equity method	Purchase	\$ 145,408	-	60 days	Note 1	Note 1	(\$ 21,495)	-	
Hon Hai Precision Industry Co., Ltd.	Heroic Legend Enterprises Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	18,863,275	19	-	Note 1	Note 1	( 14,986,541)	( 17)	
Hon Hai Precision Industry Co., Ltd.	Success Rise Enterprises Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	24,538,973	25	-	Note 1	Note 1	( 6,667,214)	( 8)	
Hon Hai Precision Industry Co., Ltd.	Franklin Management Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	16,503,053	17	-	Note 1	Note 1	( 14,846,695)	( 17)	
Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	11,395,252	11	-	Note 1	Note 1	( 435,798)	( 1)	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and its subsidiaries	Processing and molding costs	12,746,052	13	-	Note 1	Note 1	( 21,732,987)	( 25)	
Hon Hai Precision Industry Co., Ltd.	Beyond Maximum Industrial Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	10,944,341	11	-	Note 1	Note 1	( 1,878,416)	( 2)	
Hon Hai Precision Industry Co., Ltd.	Carston Ltd.	Indirect wholly-owned subsidiary	Processing and molding costs	3,976,588	4	-	Note 1	Note 1	( 25,330,425)	( 30)	

Note 1: 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 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: As of December 31, 2012, the Company's prepayment was \$79,379.

Note 4: As of December 31, 2012, the Company's prepayment was \$254,268.

8) Receivables from related parties exceeding the amount of \$100,000 or 20% of the Company's contributed capital as of December 31, 2012:

Company	Counterparty	Relationship with the Company	Balance of receivables from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for bad debt
					Amount	Actions taken		
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and its subsidiaries	\$ 36,362,495	3	\$1,629,427	Subsequent Collection	\$15,091,777	\$ -
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and its subsidiaries	64,308,654	-	7,971,583	Subsequent Collection	16,237,347	-
Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Indirect wholly-owned subsidiary	122,051,631	-	364,233	Subsequent Collection	44,303,256	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Indirect wholly-owned subsidiary	78,660,801	-	-	-	15,440,237	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Indirect wholly-owned subsidiary	69,893,800	-	-	-	47,464,031	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Indirect wholly-owned subsidiary	16,567,174	-	-	-	7,241,857	-
Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	Indirect wholly-owned subsidiary	25,448,382	-	8,761	Subsequent Collection	16,120,147	-
Hon Hai Precision Industry Co., Ltd.	SIO International Inc.	Wholly-owned subsidiary of SIO	8,698,808	2	-	-	6,632,855	-
Hon Hai Precision Industry Co., Ltd.	Ingrasys Technology Co., Ltd.	Indirect wholly-owned subsidiary	2,781,452	3	1,268,344	Subsequent Collection	74,424	-
Hon Hai Precision Industry Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Indirect wholly-owned subsidiary	1,963,023	3	431,814	Subsequent Collection	920,561	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Wholly-owned subsidiary	1,948,822	4	2,767	Subsequent Collection	1,619,362	-
Hon Hai Precision Industry Co., Ltd.	Funing Precision Component Co. Ltd.	Indirect wholly-owned subsidiary	1,227,814	4	162,051	Subsequent Collection	754,598	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Slovakia, Spol. S R. O.	Indirect wholly-owned subsidiary	1,205,220	6	-	-	822,578	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Indirect wholly-owned subsidiary	1,194,376	5	-	-	997,170	-
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Optoelectronics Ltd.	Indirect wholly-owned subsidiary of Innolux	1,161,217	3	348	Subsequent Collection	561,437	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	1,154,671	2	346,121	Subsequent Collection	514,241	-

Company	Counterparty	Relationship with the Company	Balance of receivables from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for bad debt
					Amount	Actions taken		
Hon Hai Precision Industry Co., Ltd.	Interface Optoelectronics (Shenzhen) Co., Ltd.	Investee company accounted for under the equity method	\$ 871,651	6	\$ 1,414	Subsequent Collection	\$ 737,243	\$ -
Hon Hai Precision Industry Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Indirect wholly-owned subsidiary	653,432	5	62,525	Subsequent Collection	482,673	-
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	The Company's chairman is the major shareholder	469,585	2	-	-	409,060	-
Hon Hai Precision Industry Co., Ltd.	Ennoconn Corporation	Indirect wholly-owned subsidiary	377,683	6	760	Subsequent Collection	381,054	-
Hon Hai Precision Industry Co., Ltd.	CyberTAN Technology Inc.	An indirectly-owned investee company accounted for under the equity method	346,315	5	695	Subsequent Collection	275,770	-
Hon Hai Precision Industry Co., Ltd.	New Ocean Precision Component (Jiangxi) Co., Ltd.	Indirect wholly-owned subsidiary of PIIC	300,386	4	-	-	102,972	-
Hon Hai Precision Industry Co., Ltd.	Foxteq Australia Pty Ltd.	Indirect wholly-owned subsidiary	276,616	4	-	-	197,910	-
Hon Hai Precision Industry Co., Ltd.	SIO International Holdings Limited	The Company's chairman is the major shareholder	240,184	2	-	-	-	-
Hon Hai Precision Industry Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Indirect wholly-owned subsidiary of FTC	158,959	-	51,213	Subsequent Collection	100,989	-
Hon Hai Precision Industry Co., Ltd.	Fukui Precision Component (Shenzhen) Co., Ltd.	Indirect wholly-owned subsidiary of ZDT-Cayman	155,977	5	-	-	70,531	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Indirect wholly-owned subsidiary of FTC	153,272	6	-	-	-	-
Hon Hai Precision Industry Co., Ltd.	Nanhai Chi Mei Optoelectronics Ltd.	Indirect wholly-owned subsidiary of Innolux	145,779	4	132	Subsequent Collection	82,936	-
Hon Hai Precision Industry Co., Ltd.	Fenix Industria de Electronics Ltda.	Indirect wholly-owned subsidiary	134,812	4	2,472	Subsequent Collection	82,401	-
Hon Hai Precision Industry Co., Ltd.	New Ocean Precision Component (Ganzhou) Co., Ltd.	Indirect wholly-owned subsidiary of PIIC	125,242	6	992	Subsequent Collection	122,794	-
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Electronics Ltd.	Indirect wholly-owned subsidiary of Innolux	120,720	4	-	-	76,112	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Rus, LLC	Indirect wholly-owned subsidiary	109,162	-	-	-	109,162	-

Note: Receivables for payments made on behalf of others.

9) Information on derivative transactions: Please see Note 4(2).

(2) Disclosure information of Investee Company

(All the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The disclosure information as follows is for reference only.)

1) Information on Investee Companies:

Investor	Investee company	Address	Main operating Activities	Original investment amount				Held by the Company at December 31, 2012				Net income (loss) of the Investee Company		Investment Income (loss) recognized by the Company		Note	
				Currency	December 31,		Currency	December 31,		Number of shares	Percentage of ownership		Currency	Amount	Currency		Amount
					2012	Currency		2011	Currency		(%)	Book value					
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Cayman Islands	Investment holding	NTD	\$85,352,589	NTD	\$63,748,370	3,382,944,787	100	NTD	\$ 525,987,469	NTD	\$55,318,054	NTD	\$ 55,546,752	Note 1	
Hon Hai Precision Industry Co., Ltd.	Hyield Venture Capital Co., Ltd.	Taiwan	Investment holding	NTD	3,900,000	NTD	3,900,000	405,502,500	98	NTD	12,145,012	NTD	986,655	NTD	937,117	Note 1	
Hon Hai Precision Industry Co., Ltd.	Bao Shin International Investment Co., Ltd.	Taiwan	Investment holding	NTD	2,998,500	NTD	2,998,500	621,000,000	100	NTD	9,583,913	NTD	1,109,155	NTD	1,109,155	Note 1	
Hon Hai Precision Industry Co., Ltd.	Margini Holdings Limited	British Virgin Islands	Investment holding	NTD	8,904,952	NTD	8,904,952	275,890,000	100	NTD	8,902,225	NTD	1,127,365	NTD	1,121,328	Note 1	
Hon Hai Precision Industry Co., Ltd.	Ambit International Ltd.	British Virgin Islands	Investment holding	NTD	1,788,146	NTD	1,788,146	53,100,000	100	NTD	8,743,716	NTD	281,290	NTD	281,290	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding B.V.-Netherland	Netherlands	Investment holding	NTD	6,486,934	NTD	6,486,934	107,723,409	100	NTD	7,498,363	NTD	1,310,463	NTD	1,310,463	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Taiwan	Manufacture and design of monitors	NTD	481,782	NTD	481,782	124,238,234	10	NTD	6,181,682	NTD	8,377,059	NTD	854,687	Note 1, 3	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Ltd.	British Virgin Islands	Investment holding	NTD	2,971,777	NTD	2,486,853	97,599,985	100	NTD	5,600,381	NTD	424,862	NTD	397,646	Note 1	
Hon Hai Precision Industry Co., Ltd.	Hon Yuan International Investment Co., Ltd.	Taiwan	Investment holding	NTD	1,611,500	NTD	1,611,500	267,000,000	100	NTD	3,652,466	NTD	333,582	NTD	333,378	Note 1	
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd.	Taiwan	Investment holding	NTD	1,500,500	NTD	1,500,500	250,000,000	100	NTD	3,388,027	NTD	342,576	NTD	342,576	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Singapore	Investment holding	NTD	1,661,610	NTD	1,661,610	53,037,545	100	NTD	2,488,716	NTD	78,156	NTD	81,434	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn SA B.V.	Netherlands	Investment holding	NTD	3,185,683	NTD	3,185,683	72,163,188	98	NTD	2,442,455	NTD	138,080	NTD	134,993	Note 1	
Hon Hai Precision Industry Co., Ltd.	Pan International Industrial Corporation	Taiwan	Manufacture and marketing of cables	NTD	2,042,398	NTD	2,042,398	106,178,272	21	NTD	2,296,398	NTD	401,900	NTD	91,152	Note 1, 2	
Hon Hai Precision Industry Co., Ltd.	Lin Yih International Investment Co., Ltd.	Taiwan	Investment holding	NTD	904,411	NTD	904,411	96,900,000	100	NTD	978,082	NTD	9,881	NTD	9,065	Note 1	
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.	NTD	1,155,704	NTD	513,260	115,570,400	80	NTD	1,080,172	NTD (	60,162)	NTD (	48,446)	Note 1	

Investor	Investee company	Address	Main operating Activities	Original investment amount				Held by the Company at December 31, 2012				Net income (loss) of the Investee Company		Investment Income (loss) recognized by the Company		Note
				December 31, 2012		December 31, 2011		Number of shares	Percentage of ownership (%)	Currency	Book value	Currency	Amount	Currency	Amount	
				Currency	2012	Currency	2011									
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology (H.K) Ltd.	Hong Kong	Purchase and the sales of cameras and related parts	NTD	\$ 22,311	NTD	\$ 22,311	1,409,000	2	NTD	\$ 174,408	NTD (\$	48,241)	NTD (\$	785)	Note 1, 5
Hon Hai Precision Industry Co., Ltd.	Altus Technology Inc.	Taiwan	Manufacture, design and marketing of cellular phone, camera lens and sensors	NTD	865,177	NTD	865,177	7,872,911	65	NTD	78,079	NTD (	2,103)	NTD (	1,358)	Note 1, 4
Hon Hai Precision Industry Co., Ltd.	Others	Others		NTD	163,446	NTD	163,446	-	-	NTD	180,052	NTD	164,674	NTD	81,654	Note 1
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxsemicon Integrated Technology Inc.	Taiwan	Manufacture of semiconductor machinery and sales of computer components	NTD	448,110	NTD	448,110	21,663,004	20	NTD	23,556	NTD (	387,910)	NTD (	114,323)	Note 6
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxconn Technology Co., Ltd.	Taiwan	Manufacture and design of monitors	NTD	1,992,567	NTD	1,992,567	246,469,620	20	NTD	12,489,422	NTD	8,377,059	NTD	1,678,519	Note 6
Hon Yuan, Bao Shin, Hon Chi and Hon Yiing	Pan International Industrial Corporation	Taiwan	Manufacture and marketing of cables	NTD	560,639	NTD	560,639	29,180,873	6	NTD	662,825	NTD	401,900	NTD	22,861	Note 6
Hyield, Hon Yuan, Bao Shin, Lin Yih and Hon Chi	Altus Technology Inc.	Taiwan	Manufacture, marketing and design of cellular phone, camera lens and sensors	NTD	284	NTD	284	4,317,089	35	NTD	42,815	NTD (	2,103)	NTD (	745)	Note 6
Hyield	Antec Electronic System Co., Ltd.	Taiwan	Manufacture of cable, electronic equipment and electron component of motor vehicles	NTD	970,000	NTD	970,000	60,010,000	100	NTD	401,401	NTD (	31,143)	NTD (	26,414)	Note 6
Hyield, Hon Yuan, Bao Shin, Lin Yih and Hon Chi	CyberTAN Technology, Inc.	Taiwan	Manufacture, design and marketing of wireless network equipment	NTD	357,396	NTD	357,396	35,122,013	11	NTD	540,819	NTD	69,766	NTD	5,108	Note 6

Investor	Investee company	Address	Main operating Activities	Original investment amount				Held by the Company at December 31, 2012				Net income (loss) of the Investee Company		Investment Income (loss) recognized by the Company		Note
				December 31, 2012		December 31, 2011		Number of shares	Percentage of ownership (%)	Currency	Book value	Currency	Amount	Currency	Amount	
				Currency	2012	Currency	2011									
Bao Shin and Hyield	Ennoconn Corporation	Taiwan	Design and manufacture of single board computer, embedded board, industrial motherboard	NTD	\$ 261,706	NTD	\$ 244,291	24,916,107	49	NTD	\$ 465,553	NTD	\$ 179,196	NTD	\$ 95,196	Note 6
Bao Shin	UVAT Technology Co., Ltd.	Taiwan	Manufacture and sales of vacuum sputtering system and vacuum coating service	NTD	180,000	NTD	180,000	7,557,835	17	NTD	140,489	NTD (	245,657)	NTD (	36,462)	Note 6、9
Hyield and Bao Shin	Simplo Technology Co., Ltd.	Taiwan	Information service, manufacture of lighting equipment, data storage and processing system, electronic components, battery, power generation/transmission/distribution machinery, and wireless communication system	NTD	1,433,855	NTD	1,433,855	26,575,186	9	NTD	2,231,052	NTD	3,302,612	NTD	321,203	Note 6
Hon Chi, Hon Yuan, and Bao Shin	Foxnum Technology Co., Ltd.	Taiwan	Manufacture and sales of machinery, computer and peripheral devices	NTD	464,736	NTD	464,736	46,473,600	85	NTD	1,197,379	NTD	282,144	NTD	274,509	Note 6
Hyield, Hon Yuan, Bao Shin and Hon Chi	G-TECH Optoelectronics Corporation	Taiwan	Manufacture of glass, glass products and electronic components	NTD	1,669,704	NTD	1,669,704	73,128,667	28	NTD	2,943,407	NTD	747,711	NTD	224,126	Note 6, 9



Investor	Investee company	Address	Main operating Activities	Original investment amount				Held by the Company at December 31, 2012				Net income (loss) of the Investee Company		Investment Income (loss) recognized by the Company		Note
				December 31, 2012		December 31, 2011		Number of shares	Percentage of ownership (%)	Currency	Book value	Currency	Amount	Currency	Amount	
				Currency	2012	Currency	2011									
Hyield and Bao Shin	Advanced Microelectronic Products, Inc.	Taiwan	Research, development, design, manufacture and sales of integrated circuit and semi-conductor components	NTD	\$ 187,820	NTD	\$ 187,820	16,271,550	10	NTD	\$ 45,641	NTD	(\$ 300,571)	NTD	(\$ 34,598)	Note 6, 9
Foxconn International Holdings Limited	Ways Technical Corp., Ltd.	Taiwan	Manufacture of plastic articles, surface treatment, and manufacture and processing of electronic components	NTD	591,228	NTD	947,772	12,105,248	13	NTD	722,359	NTD	469,370	NTD	58,024	Note 6, 9
Hyield and Bao Shin	Bionet Corporation	Taiwan	Extraction, testing, storage and research on umbilical cord blood stem cells, mesenchymal stem cells, and primary teeth	NTD	100,000	NTD	100,000	3,464,022	7	NTD	115,922	NTD	62,772	NTD	4,478	Note 6, 9
Hyield	Ingrasys Technology Inc.	Taiwan	Design, research, manufacture and sales of data storage and processor	NTD	250,705	NTD	222,340	37,410,000	100	NTD	980,698	NTD	300,394	NTD	283,517	Note 6
Hyield	Burrage Capital Healthcare Offshore Fund II, Ltd.	Cayman Islands	Investment holding	NTD	441,300	NTD	441,300	15,000,000	100	NTD	411,026	NTD	58,212	NTD	58,212	Note 6
Hyield, Hon Yuan, Bao Shin and Hon Chi	Fitipower Integrated Technology Inc.	Taiwan	Manufacture of integrated circuit/semi-conductor machinery and sales of computer components	NTD	585,000	NTD	-	45,450,167	39	NTD	539,011	NTD	( 39,849)	NTD	3,476	Note 6, 9
Hyield, Hon Yuan, Bao Shin and Hon Chi	Others	Others		NTD	958,692	NTD	995,692	-	-	NTD	623,356	NTD	463,369	NTD	( 54,999)	Note 6, 8

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 its subsidiaries, directly and indirectly, own 26.57% of Pan International Industrial Corporation's outstanding shares.

Note 3: The Company and the direct and indirect investee companies own 29.97% of Foxconn Technology Co., Ltd.'s outstanding shares.

Note 4: The Company and the direct and indirect investee companies own 100% of Altus Technology Inc.'s outstanding shares.

Note 5: The Company and the direct and indirect investee companies own 99.96% of Premier Image Technology (H.K) Ltd.'s outstanding shares.

Note 6: 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 Yiing International Investment Co., Ltd. is referred to as Hon Yiing.

Note 7: 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.

Note 8: Due to the amount is insignificant, combined disclosure is adopted.

Note 9: The investee company, a listed or an OTC or Emerging company in Taiwan, has not released the 2012 annual financial information as of March 28, 2013. Thus, the net income for the first three quarter or semi-annual of the investee company should be disclosed instead.

2) Loans to any company or person:

No.	Name of company	Name of Counterparty	Account	Maximum Balance During 2012	Ending Balance	Interest Rate (%)	Nature of Financial Activity	Business Transaction Amount	Reason for Financing	Allowance for Doubtful Accounts	Asset Pledge Item Value	Loan limit per counterparty	Total loan limit of the company loan	Note
1	Hon Yuan International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Short-term loans-Related parties	\$ 293,000	\$ 293,000	-	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ -	Note 1
2	Hon Chi International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Short-term loans-Related parties	265,000	265,000	-	Short term financing	-	Business operation	-	None	-	-	Note 1
2	Hon Chi International Investment Co., Ltd.	UER Technology Corporation	Short-term loans-Related parties	200,000	200,000	1.625	Short term financing	-	Business operation	-	None	-	-	Note 1
3	Bon Shin International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Short-term loans-Related parties	450,000	450,000	-	Short term financing	-	Business operation	-	None	-	-	Note 1
3	Bon Shin International Investment Co., Ltd.	SetaBox Technology Co., Ltd.	Short-term loans-Related parties	150,000	150,000	1.15	Short term financing	-	Business operation	-	None	-	-	Note 1
4	Lin Yih International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Short-term loans-Related parties	99,000	97,000	-	Short term financing	-	Business operation	-	None	-	-	Note 1
5	Hyield Venture Capital Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Short-term loans-Related parties	1,500,000	1,000,000	-	Short term financing	-	Business operation	-	None	-	-	Note 1
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Entrusted Loans	117,438	-	-	Short term financing	-	Business operation	-	None	-	-	Note 2
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Futaikang Precision Component (Shenzhen) Co., Ltd.	Entrusted Loans	75,160	-	-	Short term financing	-	Business operation	-	None	-	-	Note 2

No.	Name of company	Name of Counterparty	Account	Maximum	Ending	Interest	Nature of	Business	Reason for	Allowance for			Loan	Total loan	Note	
				Balance						Balance	Rate (%)	Activity				Transaction
				During 2012						Amount	Accounts	Item		counterparty	company loan	
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Entrusted Loans	\$ 65,765	\$ -	-	Short term financing	\$ -	Business operation	-	-	None	\$ -	\$ -	\$ -	Note 2
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fu Xun Tong Trading (Shenzhen) Co., Ltd.	Entrusted Loans	522,258	507,474	3.25~3.5	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fuhuajie Industrial Limited (Shenzhen)	Entrusted Loans	2,677,575	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fuhongjie Technology Service Co., Ltd.	Entrusted Loans	37,857	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Futaikang Precision Component (Shenzhen) Co., Ltd.	Entrusted Loans	56,785	46,134	3.05	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Fuhuajie Industrial Limited (Shenzhen)	Entrusted Loans	2,583,504	2,583,504	3.05	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Fuhongyang Precision Industrial (Shenzhen) Co., Ltd.	Entrusted Loans	3,225,356	3,206,313	3.05	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Entrusted Loans	7,216,656	7,012,368	3.5	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
7	Futaihua Industrial (Shenzhen) Limited	Fujin Precision Industrial (Jincheng) Co., Ltd.	Entrusted Loans	4,640,800	4,613,400	3.25	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
8	Foxconn Precision Component (Shenzhen) Co., Ltd.	Shenzhen Fuhongjie Technology Service Co., Ltd.	Entrusted Loans	108,043	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
9	Anpinda Precision Industrial (Huizhou) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Entrusted Loans	2,427,571	2,427,571	3.05	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
10	Foxconn (Kunshan) Computer Connector Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Entrusted Loans	839,639	839,639	2.6	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
10	Foxconn (Kunshan) Computer Connector Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Entrusted Loans	474,780	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
10	Foxconn (Kunshan) Computer Connector Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Entrusted Loans	1,414,740	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
10	Foxconn (Kun Shan) Computer Connector Co., Ltd.	Fuxiang Precision Industrial (kunshan) Co., Ltd.	Entrusted Loans	1,180,300	1,153,350	2.28	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2
11	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuyao Precision Component (Kunshan) Co., Ltd.	Entrusted Loans	70,737	-	-	Short term financing	-	Business operation	-	-	None	-	-	-	Note 2

No.	Name of company	Name of Counterparty	Account	Maximum	Ending	Interest	Nature of	Business	Reason for	Allowance for			Loan	Total loan	Note
				Balance	Balance	Rate (%)	Financial	Transaction		Doubtful	Asset Pledge	Value	limit per	limit of the	
				During 2012			Activity	Amount	Financing	Accounts	Item		counterparty	company loan	
11	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Entrusted Loans	\$ 1,424,340	\$ 1,384,020	2.28	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ -	\$ -	Note 2
11	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Entrusted Loans	1,084,634	461,340	2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2
11	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Entrusted Loans	1,186,950	1,153,350	2	Short term financing	-	Business operation	-	None	-	-	-	Note 2
11	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Qunkang Precision Component (Kunshan) Co., Ltd.	Entrusted Loans	337,094	327,551	3.1	Short term financing	-	Business operation	-	None	-	-	-	Note 2
12	Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Entrusted Loans	768,675	-	-	Short term financing	-	Business operation	-	None	-	-	-	Note 2
12	Ambit Microsystem (Shanghai) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Entrusted Loans	1,661,730	1,457,834	2.28~2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2
12	Ambit Microsystem (Shanghai) Co., Ltd.	Shanghai Foxconn Co., Ltd.	Entrusted Loans	118,695	115,335	2.85	Short term financing	-	Business operation	-	None	-	-	-	Note 2
13	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Entrusted Loans	1,178,950	-	-	Short term financing	-	Business operation	-	None	-	-	-	Note 2
14	Fulin Electrical Technology (Changshu) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Entrusted Loans	1,424,340	-	3.5	Short term financing	-	Business operation	-	None	-	-	-	Note 2
15	Fuyang Electrical Technology (Changshu) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Entrusted Loans	811,118	747,371	2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2
15	Fuyang Electrical Technology (Changshu) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Entrusted Loans	1,384,020	1,384,020	2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2
16	Fu Yu Energy Technology (Kunshan) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Entrusted Loans	626,508	622,809	2.28	Short term financing	-	Business operation	-	None	-	-	-	Note 2
17	Foxway Precision Industry (Hangzhou) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Entrusted Loans	461,340	461,340	2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2
18	Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electrical Technology (Huaian) Co., Ltd.	Entrusted Loans	954,974	954,974	2.6	Short term financing	-	Business operation	-	None	-	-	-	Note 2

No.	Name of company	Name of Counterparty	Account	Maximum	Ending	Interest	Nature of	Business	Reason for	Allowance for			Loan	Total loan	Note	
				Balance						Balance	Rate (%)	Financial				Transaction
				During 2012			Activity	Amount			Accounts	Item	counterparty	company loan		
19	Fu Tai Kang Electronics Development (Yantai) Ltd.	Yantai FuHuaDa Precision Electronics Co., Ltd.	Entrusted Loans	\$ 235,790	\$ -	-	Short term financing	\$ -	-	Business operation	-	None	\$ -	\$ -	-	Note 2
19	Fu Tai Kang Electronics Development (Yantai) Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Entrusted Loans	730,949	415,206	3.92	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Yantai FuHuaDa Precision Electronics Co., Ltd.	Entrusted Loans	330,106	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Precision Electronic (Yantai) Co., Ltd.	Entrusted Loans	2,550,094	2,442,359	0.36725~3.92	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Entrusted Loans	2,373,900	2,306,700	4.2	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
21	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Precision Electronics (Chengdu) Co., Ltd.	Entrusted Loans	282,948	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
22	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Entrusted Loans	1,186,950	1,153,350	3.1	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
22	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Fuding Precision (Zhengzhou) Co., Ltd.	Entrusted Loans	1,614,690	1,614,690	2.6~3.1	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
22	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Entrusted Loans	2,320,400	2,306,700	2.6	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
23	Foxconn (Far East) Limited	Fujin Precision Industrial (Jincheng) Co., Ltd.	Other Receivables-financing	5,109,350	4,936,970	0.56	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
23	Foxconn (Far East) Limited	Margini Holdings Ltd.	Other Receivables-financing	377,350	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
23	Foxconn (Far East) Limited	Fu Ding Precision Industrial (Zhengzhou) Co., Ltd.	Other Receivables-financing	446,040	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
23	Foxconn (Far East) Limited	Fuyu Electrical Technology (Huaian) Co., Ltd.	Other Receivables-financing	450,825	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
23	Foxconn (Far East) Limited	Foxconn (Kun Shan) Computer Connector Co., Ltd.	Other Receivables-financing	895,054	-	-	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2

No.	Name of company	Name of Counterparty	Account	Maximum	Ending	Interest	Nature of	Business	Reason for	Allowance for			Loan	Total loan	Note	
				Balance	Balance	Rate (%)	Financial	Transaction		Doubtful	Asset Pledge	Value	limit per	limit of the		
				During 2012			Activity	Amount	Financing	Accounts	Item		counterparty	company loan		
23	Foxconn (Far East) Limited	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Other Receivables-financing	\$ 1,803,300	\$ 1,742,460	0.21	Short term financing	\$ -	-	Business operation	-	None	\$ -	\$ -	\$ -	Note 2
23	Foxconn (Far East) Limited	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Other Receivables-financing	2,973,600	\$ 1,742,460	0.21	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
24	Foxconn CZ S. R. O.	Foxconn TR Teknoloji Sanayi Ltd. Sirketi	Other Receivables-financing	300,550	290,410	3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 2
25	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Entrusted Loans	807,126	784,278	3.25~3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
25	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Entrusted Loans	5,222,580	5,074,740	3~3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
26	Foxconn Precision Component (Beijing) Co., Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Entrusted Loans	3,560,850	3,460,050	3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
26	Foxconn Precision Component (Beijing) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Entrusted Loans	7,596,480	7,381,440	3~3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
26	Foxconn Precision Component (Beijing) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Entrusted Loans	1,424,340	1,384,020	3~3.5	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
27	Execustar International Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Other Receivables	510,935	493,697	0.4416	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
28	Foxconn International Holdings Limited	Foxconn (Tianjin) Precision Industry Co., Ltd.	Other Receivables	3,125,720	3,020,264	0.2071~0.4615	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3
28	Foxconn International Holdings Limited	Foxconn Precision Electronics (Langfang) Co., Ltd.	Other Receivables	3,967,260	3,833,412	0.2071~0.55	Short term financing	-	-	Business operation	-	None	-	-	-	Note 3

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 overseas subsidiaries of which Foxconn International Holdings 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 Foxconn International Holdings Limited; limit on loans granted by an overseas subsidiary to a single party is 30% of the net assets value of Foxconn International Holdings Limited.

3) Guarantee information:

Parties being guaranteed										
Number	Name of guarantor	Name of company	Relationship with the Company	Limit of guarantee for such party	Highest outstanding guarantee amount in 2012	Outstanding guarantee amount as of 12/31/2012	Amount of guarantee with collateral placed	Ratio of accumulated guarantee amount to net assets of the Company	Ceiling of the outstanding guarantee to the respective party	Note
1	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	The Company and its subsidiaries hold more than 50% of common shares of the investee company	\$ -	\$ 13,840	\$ 13,840	\$ -	-	\$ -	Note 1, 2, 3, 4
1	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuhuajie Industrial (Shenzhen) Limited	The Company and its subsidiaries hold more than 50% of common shares of the investee company	-	2,547,090	2,360,065	-	0.37	-	Note 1, 2, 3, 4
1	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	The Company and its subsidiaries hold more than 50% of common shares of the investee company	-	12,172,275	2,934,428	-	0.45	-	Note 1, 2, 3, 4

Note1: The Company's total guarantees to others should not be in excess of the Company's net assets.

Note2: The Company's guarantees provided for a single party should not be in excess 50% of the Company's net assets.

Note3: Guarantees to overseas subsidiaries of which the Company directly and indirectly hold 100% of their voting shares should not exceed 50% of the Company's net assets; the limit of guarantee for a single entity should not be in excess of 20% the Company's net assets.

Note4: The net assets referred above are based on the latest audited or reviewed financial statements.

4) Marketable securities held as of December 31, 2012:

Name of investors	Type and name of marketable securities (Note 1)	Relationship of the issuers with the investee company	General ledger account (Note 1)	December 31, 2012				Market Value/ Net worth	Note
				Number of shares (in thousands)	Book value	Ownership Percentage %			
Bon Shin International Investment Co., Ltd.	Common stock of Pan International Industrial Corporation	Investee company accounted for under the equity method	(1)	3,601	\$ 88,120	1	\$ 71,066		
Bon Shin International Investment Co., Ltd.	Common stock of Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	(1)	112,195	5,656,648	9	5,548,409		
Bon Shin International Investment Co., Ltd.	Common stock of CyberTAN Technology Inc.	Indirect investee company accounted for under the equity method	(1)	2,182	33,589	1	33,551		
Bon Shin International Investment Co., Ltd.	Common stock of Simplo Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	12,884	1,081,616	4	726,172		
Bon Shin International Investment Co., Ltd.	Common stock of Advanced Microelectronic Products, Inc.	Indirect investee company accounted for under the equity method	(1)	6,976	3,358	4	31,728		

Name of investors	Type and name of marketable securities (Note 1)	Relationship of the issuers with the investee company	General ledger account (Note 1)	December 31, 2012				Note
				Number of shares (in thousands)	Book value	Ownership Percentage %	Market Value/ Net worth	
Bon Shin International Investment Co., Ltd.	Common stock of Bionet Corporation	Indirect investee company accounted for under the equity method	(1)	1,732	\$ 57,961	4	\$ 40,998	
Bon Shin International Investment Co., Ltd.	Common stock of G-TECH Optoelectronics Corporation	Indirect investee company accounted for under the equity method	(1)	17,262	694,348	7	670,995	
Bon Shin International Investment Co., Ltd.	Common stock of Ability OPTO-Electronics Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	10,000	133,585	8	133,585	
Bon Shin International Investment Co., Ltd.	Common stock of UVAT Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	7,558	140,489	17	111,747	
Bon Shin International Investment Co., Ltd.	Common stock of Foxsemicon Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	4,837	5,260	4	5,192	
Bon Shin International Investment Co., Ltd.	Common stock of Shin Puu Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	1,475	28,633	8	28,633	
Bon Shin International Investment Co., Ltd.	Common stock of HealthConn Co.	Indirect investee company accounted for under the equity method	(1)	4,875	33,132	24	37,146	
Bon Shin International Investment Co., Ltd.	Fitipower Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	14,140	167,693	12	172,644	
Bon Shin International Investment Co., Ltd.	Common stock of Entire Technology Co., Ltd.	None	(2)	2,100	87,045	1	87,045	
Bon Shin International Investment Co., Ltd.	Common stock of MiTAC Information Technology Co.	None	(3)	1,775	33,006	1	33,006	
Bon Shin International Investment Co., Ltd.	Common stock of MiTAC Inc.	None	(3)	2,482	39,252	1	39,252	
Hon Chi International Investment Co., Ltd.	Common stock of Pan International Industrial Corporation	Investee company accounted for under the equity method	(1)	7,483	168,085	1	147,662	
Hon Chi International Investment Co., Ltd.	Common stock of Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	(1)	28,338	1,468,014	2	1,401,386	
Hon Chi International Investment Co., Ltd.	Common stock of CyberTAN Technology Inc.	Indirect investee company accounted for under the equity method	(1)	2,835	43,649	1	43,598	
Hon Chi International Investment Co., Ltd.	Common stock of G-TECH Optoelectronics Corporation	Indirect investee company accounted for under the equity method	(1)	15,127	610,396	6	587,977	
Hon Chi International Investment Co., Ltd.	Common stock of Foxsemicon Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	4,947	5,379	5	5,309	
Hon Chi International Investment Co., Ltd.	Common stock of Shin Puu Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	695	13,482	4	13,482	
Hon Chi International Investment Co., Ltd.	Fitipower Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	10,100	119,780	9	123,317	



Name of investors	Type and name of marketable securities (Note 1)	Relationship of the issuers with the investee company	General ledger account (Note 1)	December 31, 2012			Market Value/Net worth	Note
				Number of shares (in thousands)	Book value	Ownership Percentage %		
Hon Yuan International Investment Co., Ltd.	Common stock of Pan International Industrial Corporation	Investee company accounted for under the equity method	(1)	17,676	\$ 396,877	4	\$ 348,802	
Hon Yuan International Investment Co., Ltd.	Common stock of Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	(1)	30,355	1,567,821	3	1,501,167	
Hon Yuan International Investment Co., Ltd.	Common stock of CyberTAN Technology Inc.	Indirect investee company accounted for under the equity method	(1)	10,035	154,527	3	154,351	
Hon Yuan International Investment Co., Ltd.	Common stock of G-TECH Optoelectronics Corporation	Indirect investee company accounted for under the equity method	(1)	24,858	999,862	9	966,233	
Hon Yuan International Investment Co., Ltd.	Common stock of Foxsemicon Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	4,745	5,160	4	5,092	
Hon Yuan International Investment Co., Ltd.	Fitipower Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	9,090	107,802	8	110,985	
Hon Yuan International Investment Co., Ltd.	Common stock of Entire Technology Co., Ltd.	None	(2)	2,206	91,441	2	91,441	
Lin Yih International Investment Co., Ltd.	Common stock of CyberTAN Technology Inc.	Indirect investee company accounted for under the equity method	(1)	10,035	154,527	3	154,351	
Lin Yih International Investment Co., Ltd.	Common stock of AcBel Polytech Inc.	None	(2)	3,857	79,261	1	79,261	
Hyield Venture Capital Co., Ltd.	Common stock of Foxconn Technology Co., Ltd.	Investee company accounted for under the equity method	(1)	75,582	3,796,939	6	3,737,763	
Hyield Venture Capital Co., Ltd.	Common stock of CyberTAN Technology Inc.	Indirect investee company accounted for under the equity method	(1)	10,035	154,527	3	154,351	
Hyield Venture Capital Co., Ltd.	Common stock of Simplo Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	13,691	1,149,436	5	771,658	
Hyield Venture Capital Co., Ltd.	Common stock of Advanced Microelectronic Products, Inc.	Indirect investee company accounted for under the equity method	(1)	9,296	42,283	6	42,283	
Hyield Venture Capital Co., Ltd.	Common stock of Bionet Corporation	Indirect investee company accounted for under the equity method	(1)	1,732	57,961	3	40,998	
Hyield Venture Capital Co., Ltd.	Common stock of G-TECH Optoelectronics Corporation	Indirect investee company accounted for under the equity method	(1)	15,882	638,801	6	617,316	
Hyield Venture Capital Co., Ltd.	Common stock of Foxsemicon Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	7,134	7,757	7	7,656	
Hyield Venture Capital Co., Ltd.	Common stock of Shin Puu Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	1,563	30,307	9	30,347	
Hyield Venture Capital Co., Ltd.	Fitipower Integrated Technology Inc.	Indirect investee company accounted for under the equity method	(1)	12,120	143,736	10	147,980	

Name of investors	Type and name of marketable securities (Note 1)	Relationship of the issuers with the investee company	General ledger account (Note 1)	December 31, 2012			Market Value/Net worth	Note
				Number of shares (in thousands)	Book value	Ownership Percentage %		
Hyield Venture Capital Co., Ltd.	Common stock of HealthConn Co.	Indirect investee company accounted for under the equity method	(1)	4,875	\$ 33,132	24	\$ 37,146	
Hyield Venture Capital Co., Ltd.	Common stock of TXC Corporation	None	(2)	466	22,281	-	22,281	
Hyield Venture Capital Co., Ltd.	Common stock of Unimicron Corporation	None	(2)	3,400	104,720	-	104,720	
Hyield Venture Capital Co., Ltd.	Common stock of Foxlink Image Technology Co., Ltd.	None	(2)	3,098	69,085	2	69,085	
Hyield Venture Capital Co., Ltd.	Common stock of Innolux Corporation (Formerly Chimei Innolux Corporation)	The Company's chairman is the major shareholder	(2)	163,989	2,558,232	2	2,558,232	
Hyield Venture Capital Co., Ltd.	Common stock of Microelectronics Technology Inc.	None	(2)	2,300	33,465	1	33,465	
Hyield Venture Capital Co., Ltd.	Common stock of Deer Computer Co., Ltd.	None	(3)	435	4,467	15	4,467	
Hyield Venture Capital Co., Ltd.	Common stock of Tera Xtal Technology Co., Ltd.	None	(3)	2,395	28,740	1	28,740	
Hyield Venture Capital Co., Ltd.	Others (Note 2)	None	(1)	-	98,922	-	98,922	
Hon Yiing International Investment Co., Ltd.	Common stock of Pan International Industrial Corporation	Investee company accounted for under the equity method	(1)	421	9,743	-	8,312	
Foxconn (Far East) Limited	Foxconn International Holdings Ltd.	Subsidiary owned by Foxconn (Far East) Ltd.	(1)	5,081,035	70,942,322	69	70,942,322	
Foxconn (Far East) Limited	Zhen Ding Technology Holding Limited	Indirect investee company accounted for under the equity method	(1)	30,009	8,444,318	41	8,434,765	
Foxconn (Far East) Limited	Ampower Holdings Ltd.	Indirect investee company accounted for under the equity method	(1)	10,463	818,234	45	818,234	
Foxconn (Far East) Limited	Eson Precision Ind. Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	44,036	1,491,078	29	1,491,078	
Foxconn (Far East) Limited	UER Holdings Corporation	Indirect investee company accounted for under the equity method	(1)	24,616	653,425	43	653,425	
Foxconn (Far East) Limited	Excelstor Group Ltd.	Indirect investee company accounted for under the equity method	(1)	-	121,757	33	121,757	
Foxconn (Far East) Limited	Woodman Labs, Inc.	None	(3)	11,709	5,450,631	11	5,450,631	
Foxconn (Far East) Limited	Solytech Enterprise Corporation	None	(2)	6,430	67,199	3	67,199	
Foxconn (Far East) Limited	Olympus Corporation	None	(2)	3,314	2,060,892	3	2,060,892	
Foxconn (Far East) Limited	Shenzhen Yuto Printing Corporation	None	(3)	4,108	120,856	5	120,856	
Foxconn (Far East) Limited	Easpnet Inc.	None	(3)	6,246	24,952	18	24,952	
Foxconn (Far East) Limited	Others (Note 2)	None	(1)(2)(3)	-	2,975,986	-	2,975,986	

Name of investors	Type and name of marketable securities (Note 1)	Relationship of the issuers with the investee company	General ledger account (Note 1)	December 31, 2012				Note
				Number of shares (in thousands)	Book value	Ownership Percentage %	Market Value/Net worth	
Foxconn Holding Ltd.	Alliance Fiber Optic Products, Inc.	Indirect investee company accounted for under the equity method	(1)	8,000	\$ 377,873	20	\$ 377,873	
Foxconn Holding Ltd.	Venglobal Capital Fund III, L.P.	Investee company accounted for under the equity method	(1)	-	224,804	-	224,804	
Foxconn Holding Ltd.	S.A.S Dragon Holdings Ltd.	None	(2)	46,000	249,503	-	249,503	
Foxconn Holding Ltd.	P. I. E Industrial Berhad	None	(2)	2,227	86,777	-	86,777	
Foxconn Holding Ltd.	Invensense Inc.	None	(2)	-	463,434	-	463,434	
Foxconn Holding Ltd.	Dimandhead Venture L. P.	None	(3)	-	315,932	-	315,932	
Foxconn Holding Ltd.	Riverwood Capital L. P.	None	(3)	-	845,580	-	845,580	
Foxconn Holding Ltd.	Aptina Acquisition L. P.	None	(3)	5,000	153,564	5	153,564	
Foxconn Holding Ltd.	WIMM Labs Ltd.	None	(3)	-	297,704	-	297,704	
Foxconn Holding Ltd.	Fuhu Inc.	None	(3)	-	290,400	-	290,400	
Foxconn Holding Ltd.	Innovation Works Limited	None	(3)	-	75,504	-	75,504	
Foxconn Holding Ltd.	Innovation Works Development Fund. L. P.	None	(3)	-	209,088	-	209,088	
Foxconn Holding Ltd.	Firebrand Wireless LLC.	None	(3)	-	81,725	-	81,725	
Foxconn Holding Ltd.	Others (Note 2)	None	(1)(3)	-	197,392	-	197,392	
Foxconn Singapore Pte. Ltd.	P. I. E Industrial Berhad	None	(2)	10	420	-	420	
Foxconn International Holdings Limited	Common stock of Ways Technical Corp., Ltd.	Indirect investee company accounted for under the equity method	(1)	12,105	722,359	13	722,359	
Foxconn International Holdings Limited	Diabell Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	75	205,168	20	205,168	
Foxconn International Holdings Limited	Common stock of Ability OPTO-Electronics Technology Co., Ltd.	Indirect investee company accounted for under the equity method	(1)	8,000	106,868	6	106,868	
Foxconn International Holdings Limited	Ways Transworld Inc.	Indirect investee company accounted for under the equity method	(1)	12,100	108,618	50	108,618	

Note 1: Code of general ledger accounts: (1) Long-term investment accounted for under the equity method

(2) Available-for-sale financial assets-non-current

(3) Financial assets carried at cost - non-current

Note 2: Due to the amount is insignificant, combined disclosure is adopted.

5) Marketable securities acquired or sold during the year ended December 31, 2012 in excess of \$100,000 or 20% of total contributed capital:

Investor	Type and name of marketable securities	General ledger account	Counterparty	Relationship of the issuers with the Company	Beginning balance		Addition		Disposal			Ending balance		
					Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	Number of Shares (in thousands)	Amount
Hyield, Bao Shin, Hon Yuan and Hon Chi	Fitipower Integrated Technology Inc.	Long-term investments accounted for under the equity method	Note 2	None	-	\$ -	45,000	\$ 585,000	-	\$ -	\$ -	-	45,000	\$ 585,000
Hyield and Hon Chi	Chi Lin Technology Co., Ltd.	Financial assets carried at cost	Note 3	None	13,476	336,886	-	-	13,476	336,886	336,886	-	-	-
Hyield and Hon Chi	Chi Lin Optoelectronics Co., Ltd.	Financial assets carried at cost	Note 3	None	19,524	488,114	-	-	19,524	488,114	488,114	-	-	-
Hyield	Microelectronics Technology Inc.	Financial assets-corporate bonds designated as at fair value through profit or loss	Note 3	None	-	-	-	200,000	-	-	-	-	-	200,000
Foxconn (Far East) Limited	Woodman Labs Inc.	Financial assets carried at cost	Note 2	None	-	-	11,709	5,450,631	-	-	-	-	11,709	5,450,631
Foxconn (Far East) Limited	Olympus Corporation	Available for sale financial assets-non-current	Public Market	None	-	-	7,998	3,676,887	4,683	2,408,075	2,180,833	365,019	3,315	1,496,054
Foxconn (Far East) Limited	Others	Available for sale financial assets-non-current	Public Market	None	19,142	440,222	26,203	3,875,403	41,656	4,690,874	3,986,647	704,227	3,689	328,978
Foxconn (Far East) Limited	ShenZhen Futaihong Bright Real Estate Co., Ltd.	Long-term investments accounted for under the equity method	Note 4	None	-	2,252,912	-	-	-	2,940,354	2,252,912	762,534	-	-
Foxconn (Far East) Limited	Ways Technical Corp., Ltd.	Long-term investments accounted for under the equity method	Public Market	None	19,405	947,772	-	-	7,300	497,428	356,544	121,169	12,105	591,228
Foxconn (Far East) Limited	Interface Optoelectronics (Shenzhen) Co., Ltd.	Long-term investments accounted for under the equity method	Note 5	None	-	-	-	1,147,080	-	-	-	-	-	1,147,080
Foxconn (Far East) Limited	Interface Technology (Chengdu) Co., Ltd.	Long-term investments accounted for under the equity method	Note 5	None	-	-	-	744,851	-	-	-	-	-	744,851

Investor	Type and name of marketable securities	General ledger account	Counterparty	Relationship of the issuers with the Company	Beginning balance		Addition		Disposal			Ending balance		
					Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	Number of Shares (in thousands)	Amount
Foxconn (Far East) Limited	Excel Victory Ltd.	Long-term investments accounted for under the equity method	Note 5	None	-	\$ -	3,000,000	\$ 115,404	-	\$ -	\$ -	\$ -	3,000,000	\$ 115,404

Note 1: The amount referred above is determined based on initial cost.

Note 2: Acquired through private placement.

Note 3: Innolux Corporation Ltd. (Formerly: Chimei Innolux Corporation)

Note 4: Shenzhen Urban Construction Investment and Development Corporation.

Note 5: Blooming Progress Limited.

6) Acquisition of real estate exceeding the amount of \$100,000 or 20% of total contributed capital: None.

7) Disposal of real estate exceeding the amount of \$100,000 or 20% of total contributed capital:

Property disposed of by	Property	Date of disposal	Date of original acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship	Reason for disposal	Basis or reference used in setting the price	Other commitments
Chi Mei Communication System, Inc.	Land and building	2012.10.3	Note 1	\$ 629,602	\$ 458,849	\$ 458,849	\$ 170,753	Note 2	No	Disposal of idle assets	Note 3	None

Note 1: Land and building were acquired on May 23, 2005 and December 31, 2002, respectively.

Note 2: Chi Mei Corporation

Note 3: By reference to the appraisal reports issued by the Elite Appraisers Firm and Evermore Consulting Co., Ltd.

8) Related party purchases or sales transactions in excess of \$100,000 or 20% of total contributed capital: please see information on significant transactions in Note 11(1) and the following disclosures.

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions		Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance
Ambit Microsystems (Zhong shan) Corporation	Unique Logistics Ltd.	Note 2	Sales	\$ 3,489,981	72	45 days	Note 1	Note 1	\$ -	-
Ambit Microsystem (Zhong shan) Co., Ltd.	Ambit Microsystem Co., Ltd.	Note 2	Sales	1,312,412	27	45 days	Note 1	Note 1	1,299,771	99
Unique Logistics Ltd.	Ambit Microsystems (Zhong shan) Corporation	Note 2	Sales	1,586,678	32	60 days	Note 1	Note 1	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	Note 2	Sales	27,659,650	75	60 days	Note 1	Note 1	1,456,576	42
Ambit Microsystem (Shanghai) Co., Ltd.	Amworld Microsystems (Shanghai) Ltd.	Note 2	Sales	2,641,109	10	90 days	Note 1	Note 1	186,276	5
Ambit Microsystem (Shanghai) Co., Ltd.	Funing Precision Component Co., Ltd.	Note 2	Sales	126,949	1	60 days	Note 1	Note 1	17,456	1
Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Technology (India) Private Limited	Note 2	Sales	187,463	2	120 days	Note 1	Note 1	123,279	4

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Ambit Microsystem (Shanghai) Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd	Note 2	Sales	\$ 471,007	2	90 days	Note 1	Note 1	\$ 15,568	-	
Ambit Microsystem (Shanghai) Co., Ltd.	CyberTAN Technology Inc.	Note 7	Sales	241,496	1	90 days	Note 1	Note 1	194,116	6	
Ambit Microsystem (Shanghai) Co., Ltd.	System Intergation Electronics (Hangzhou) Co., Ltd.	Note 2	Sales	34,479	-	60 days	Note 1	Note 1	17,630	-	
Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	171,800	-	30 days	Note 1	Note 1	( 45,896)	-	
Ambit Microsystem (Shanghai) Co., Ltd.	IRIS World Enterprises Ltd.	Note 4	Purchases	293,003	1	90 days	Note 1	Note 1	( 65,826)	( 1)	
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Note 2	Sales	3,851,947	50	90 days	Note 1	Note 1	1,470,556	62	
Ingrasys Technology Co., Ltd.	PCE Paragon Solutions Kft.	Note 2	Sales	382,571	5	45 days	Note 1	Note 1	110,099	5	
Foxnum Technology Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	119,483	8	90 days	Note 1	Note 1	475	-	
Foxnum Technology Co., Ltd.	Fujin Precision Industry (Jincheng) Co. Ltd.	Note 2	Sales	1,254,069	86	30 days	Note 1	Note 1	139,166	84	
FIH (Hong Kong) Limited	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Note 2	Sales	585,142	2	45 days	Note 1	Note 1	107,827	2	
FIH (Hong Kong) Limited	Chi Mei Communication System, Inc.	Note 2	Sales	11,196,892	36	90 days	Note 1	Note 1	1,083,664	20	
FIH (Hong Kong) Limited	Foxconn India PVT. Ltd.	Note 2	Sales	238,584	1	45 days	Note 1	Note 1	107,616	2	
FIH (Hong Kong) Limited	Sutech Industry Inc.	Note 2	Sales	4,780,868	15	75 days	Note 1	Note 1	492,850	9	
FIH (Hong Kong) Limited	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Note 2	Sales	1,030,227	3	45 days	Note 1	Note 1	148,297	3	
FIH (Hong Kong) Limited	Shenzhen Fuhongjie Technology Service Co., Ltd.	Note 2	Sales	130,488	-	60 days	Note 1	Note 1	7,322	-	
FIH (Hong Kong) Limited	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	180,600	1	30 days	Note 1	Note 1	129,558	2	
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co. Ltd.	Note 3	Purchase	103,049	1	60 days	Note 1	Note 1	( 87,387)	( 5)	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	2,252,706	12	60 days	Note 1	Note 1	192,756	5	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Note 2	Sales	831,766	4	45 days	Note 1	Note 1	682,907	16	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions		Notes and accounts receivable (payable)		Note
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	NanNing FuTaiHong Precision Industry Co. Ltd.	Note 2	Sales	\$ 1,504,892	8	60 days	Note 1	Note 1	\$ 759,974	18	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	389,221	2	45 days	Note 1	Note 1	184,701	4	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	242,156	1	60 days	Note 1	Note 1	163,982	4	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Fuhuaje Industrial (Shenzhen) Co., Limited	Note 2	Sales	181,925	1	90 days	Note 1	Note 1	23,745	1	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hon Fujin Precision Industrial (Taiyuan) Co., Ltd.	Note 3	Purchase	213,869	1	60 days	Note 1	Note 1	( 34,698)	( 1)	
Foxconn Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	1,288,198	27	30 days	Note 1	Note 1	56,709	4	
Foxconn Precision Component (Beijing) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Note 2	Sales	245,402	5	30 days	Note 1	Note 1	163,709	12	
Foxconn Precision Component (Beijing) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 2	Sales	189,832	4	45 days	Note 1	Note 1	167,795	12	
Foxconn Precision Component (Beijing) Co., Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Note 2	Sales	253,427	5	45 days	Note 1	Note 1	72,510	5	
Foxconn Precision Component (Beijing) Co., Ltd.	Hon Fujin Precision Industrial (Taiyuan) Co., Ltd.	Note 3	Purchases	126,772	4	60 days	Note 1	Note 1	( 73,364)	( 4)	
Foxconn (Tianjin) Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	11,494,753	93	60 days	Note 1	Note 1	518,907	53	
Foxconn (Tianjin) Precision Industry Co., Ltd.	Innolux Display Corporation	Note 6	Purchases	128,862	7	60 days	Note 1	Note 1	( 3,783)	-	
Foxconn (Tianjin) Precision Industry Co., Ltd.	IRIS World Enterprises Ltd.	Note 4	Purchases	415,779	23	90 days	Note 1	Note 1	( 50,598)	( 3)	
Futaijing Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	215,702	-	30 days	Note 1	Note 1	83,795	1	
Futaijing Precision Component (Beijing) Co., Ltd.	Foxconn Precision Component (Beijing) Co., Ltd.	Note 2	Sales	204,381	-	60 days	Note 1	Note 1	183,779	2	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Futaijing Precision Component (Beijing) Co., Ltd.	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 2	Sales	\$ 447,744	1	45 days	Note 1	Note 1	\$ 202,857	2	
Futaijing Precision Component (Beijing) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Note 2	Sales	111,699	-	45 days	Note 1	Note 1	1,108	-	
Futaijing Precision Component (Beijing) Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	Note 6	Purchases	1,009,105	2	60 days	Note 1	Note 1	( 202,638)	( 2)	
Futaijing Precision Component (Beijing) Co., Ltd.	IRIS World Enterprises Ltd.	Note 3	Purchases	608,401	1	60 days	Note 1	Note 1	( 180,173)	( 2)	
Foxconn Precision Electronics (Langfang) Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	12,414,627	36	30 days	Note 1	Note 1	746,307	10	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Note 2	Sales	170,764	-	30 days	Note 1	Note 1	140,273	2	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Foxconn Precision Component (Beijing) Co., Ltd.	Note 2	Sales	1,428,144	4	45 days	Note 1	Note 1	1,026,944	14	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Note 2	Sales	482,392	1	45 days	Note 1	Note 1	234,987	3	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 2	Sales	405,700	1	45 days	Note 1	Note 1	112,966	2	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Eliteday Enterprises Limited.	Note 2	Sales	8,655,997	25	60 days	Note 1	Note 1	142,851	2	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	113,456	-	60 days	Note 1	Note 1	27,126	-	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	Note 6	Purchases	1,103,405	5	45 days	Note 1	Note 1	( 506,970)	( 6)	
Foxconn Precision Electronics (Langfang) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	519,761	2	90 days	Note 1	Note 1	( 368,898)	( 5)	
Foxconn Precision Electronics (Langfang) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	225,040	1	60 days	Note 1	Note 1	( 37,755)	-	
Eliteday Enterprises Limited	Foxconn India Private Limited	Note 2	Sales	410,029	5	45 days	Note 1	Note 1	60,611	7	
Eliteday Enterprises Limited	FIH Europe Limited (Hungary)	Note 2	Sales	619,183	7	60 days	Note 1	Note 1	7,488	1	
Eliteday Enterprises Limited	Foxconn Do Brasil Ind. E Comercio De Eletronicos Ltda.	Note 2	Sales	147,610	2	60 days	Note 1	Note 1	-	-	



Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions		Notes and accounts receivable (payable)		Note
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	
Eliteday Enterprises Limited	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 2	Sales	\$ 1,423,956	17	7 days	Note 1	Note 1	\$ 366,772	41	
NanNing FuTaiHong Precision Industry Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Note 2	Sales	1,843,795	74	60 days	Note 1	Note 1	860,295	52	
FuTaiJing Precision Electrons (Yantai) Co., Ltd	FIH (Hong Kong) Limited	Note 2	Sales	1,272,026	32	30 days	Note 1	Note 1	421,475	20	
FuTaiJing Precision Electrons (Yantai) Co., Ltd	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 2	Sales	2,644,433	68	45 days	Note 1	Note 1	1,657,101	79	
Foxway Precision Industry (Hangzhou) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Note 2	Sales	110,641	22	45 days	Note 1	Note 1	18,946	22	
Carston Ltd.	Competition Team Ireland Limited	Note 2	Subcontract Revenue	384,978	5	90 days	Note 1	Note 1	-	-	
Carston Ltd.	Lakers Trading Ltd.	Note 6	Subcontract Revenue	686,231	9	90 days	Note 1	Note 1	1,040,837	4	
Carston Ltd.	High Tempo International Ltd.	Note 3	Subcontract Revenue	1,794,704	22	90 days	Note 1	Note 1	-	-	
Carston Ltd.	IRIS World Enterprises Ltd.	Note 4	Sales	232,083	3	90 days	Note 1	Note 1	157,711	-	
Carston Ltd.	High Tempo International Ltd.	Note 3	Subcontract Fee	2,562,469	40	90 days	Note 1	Note 1	( 295,371)	( 21)	
Carston Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Subcontract Fee	203,616	3	90 days	Note 1	Note 1	( 11,871)	( 1)	
Carston Ltd.	IRIS World Enterprises Limited	Note 4	Subcontract Fee	113,724	2	90 days	Note 1	Note 1	-	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Note 2	Sales	276,479	-	90 days	Note 1	Note 1	33,965	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Note 2	Sales	328,406	-	90 days	Note 1	Note 1	124,028	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Carston Ltd.	Note 2	Subcontract Revenue	2,448,197	2	90 days	Note 1	Note 1	283,725	1	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Note 2	Sales	3,392,067	3	90 days	Note 1	Note 1	1,254,847	5	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Note 2	Sales	138,689	-	90 days	Note 1	Note 1	119,083	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 2	Sales	171,059	-	90 days	Note 1	Note 1	110,126	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions		Notes and accounts receivable (payable)		Note
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Heroic Legend Enterprises Ltd.	Note 2	Subcontract Revenue	\$ 14,223,306	14	90 days	Note 1	Note 1	\$ 1,053,441	4	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Yantaishi Fultong International Trading Co., Ltd.	Note 2	Sales	377,013	-	120 days	Note 1	Note 1	233,522	1	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Franklin Management Ltd.	Note 2	Subcontract Revenue	11,046,984	11	90 days	Note 1	Note 1	2,188,020	8	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 2	Sales	1,074,007	1	90 days	Note 1	Note 1	726,532	3	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Note 2	Sales	285,394	-	90 days	Note 1	Note 1	86,364	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Note 2	Sales	490,660	-	90 days	Note 1	Note 1	342,537	1	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Note 2	Sales	210,217	-	90 days	Note 1	Note 1	53,423	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	10,784,469	11	90 days	Note 1	Note 1	2,996,182	11	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fuhuajie Industrial (Shenzhen) Limited	Note 2	Sales	707,849	1	90 days	Note 1	Note 1	626,068	2	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	155,927	-	30 days	Note 1	Note 1	77,795	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Note 2	Sales	104,120	-	60 days	Note 1	Note 1	101,384	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 2	Sales	3,944,111	4	90 days	Note 1	Note 1	2,351,974	8	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Note 2	Sales	395,918	-	90 days	Note 1	Note 1	318,769	1	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Limited	Note 2	Sales	662,044	1	90 days	Note 1	Note 1	471,664	2	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Limited	Note 2	Sales	2,221,685	2	90 days	Note 1	Note 1	1,373,925	5	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	457,662	-	90 days	Note 1	Note 1	397,375	1	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 2	Sales	904,100	1	30 days	Note 1	Note 1	741,040	3	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Interface Technology (Chengdu) Co., Ltd.	Note 10	Sales	234,138	-	30 days	Note 1	Note 1	101,304	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Innocom Technology (Shenzhen) Co., Ltd.	Note 6	Sales	\$ 170,109	-	90 days	Note 1	Note 1	\$ 21,713	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Nanhai Chi Mei Electronics Corporation	Note 6	Sales	162,670	-	90 days	Note 1	Note 1	1,589	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Sales	332,422	-	90 days	Note 1	Note 1	35,613	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fuzhun Precision (Shenzhen) Industry Co., Ltd.	Note 3	Sales	246,561	-	90 days	Note 1	Note 1	116,336	-	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	1,711,515	16	90 days	Note 1	Note 1	( 1,658,010)	( 39)	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fuhuigang Industrial (Shenzhen) Co., Ltd.	Note 3	Purchases	148,887	1	90 days	Note 1	Note 1	( 28,220)	( 1)	
Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	Note 5	Purchases	188,638	2	90 days	Note 1	Note 1	-	-	
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Beyond Maximum Industrial Ltd.	Note 2	Subcontract Revenue	8,801,240	97	30 days	Note 1	Note 1	1,439,760	93	
Fuhong Precision Component (Shenzhen) Co., Ltd.	Best Matrix Enterprises Ltd.	Note 2	Subcontract Revenue	585,039	99	30 days	Note 1	Note 1	-	-	
Champ Tech Optical (Foshan) Corporation	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Note 2	Sales	120,510	3	90 days	Note 1	Note 1	33,110	2	
Champ Tech Optical (Foshan) Corporation	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	550,577	12	90 days	Note 1	Note 1	92,126	7	
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Pte. Ltd.	Note 3	Sales	2,449,477	52	30 days	Note 1	Note 1	634,546	48	
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Co., Ltd.	Note 7	Sales	594,552	13	30 days	Note 1	Note 1	132,601	10	
Champ Tech Optical (Foshan) Corporation	Fuyu Technology (Nanyang) Co., Ltd.	Note 3	Sales	119,438	3	90 days	Note 1	Note 1	138,997	10	
Champ Tech Optical (Foshan) Corporation	Dongguan Pan-International Wire & Cable Co., Ltd.	Note 8	Purchases	127,007	4	90 days	Note 1	Note 1	( 63,871)	( 4)	
Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	2,719,222	27	90 days	Note 1	Note 1	1,060,772	37	
Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	210,845	3	90 days	Note 1	Note 1	( 16,238)	( 1)	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	MWM Co., Ltd.	Note 2	Subcontract Revenue	\$ 2,916,390	98	60 days	Note 1	Note 1	\$ 1,550,134	82	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Note 2	Sales	286,034	1	30 days	Note 1	Note 1	62,885	1	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Qunkang Precision Component (Kunshan) Co., Ltd.	Note 2	Sales	124,073	1	60 days	Note 1	Note 1	116,933	1	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Tripleheads International Ltd.	Note 2	Sales	746,703	4	90 days	Note 1	Note 1	496,611	6	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fusing International Inc.	Note 2	Sales	323,496	2	90 days	Note 1	Note 1	319,167	4	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	120,520	1	30 days	Note 1	Note 1	134	-	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	Note 5	Purchases	534,641	4	90 days	Note 1	Note 1	( 375,170)	( 3)	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	580,718	4	90 days	Note 1	Note 1	( 230,266)	( 2)	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Pan International Industrial Co.	Note 7	Purchases	289,257	2	90 days	Note 1	Note 1	( 215,187)	( 2)	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 2	Sales	548,841	3	90 days	Note 1	Note 1	255,196	11	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	327,945	1	90 days	Note 1	Note 1	-	-	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	IRIS World Enterprises Ltd.	Note 4	Purchases	175,724	1	90 days	Note 1	Note 1	( 13,299)	-	
Foxconn (Kunshan) Computer Connector Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 2	Sales	684,936	5	90 days	Note 1	Note 1	1,106,416	36	
Foxconn (Kunshan) Computer Connector Co., Ltd.	Success Rise Enterprises Ltd.	Note 2	Subcontract Revenue	13,351,462	94	90 days	Note 1	Note 1	1,379,694	46	
Foxconn (Kunshan) Computer Connector Co., Ltd.	Fuzhun Precision (Shenzhen) Industry Co., Ltd.	Note 3	Purchases	381,014	3	60 days	Note 1	Note 1	( 13,845)	-	
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Note 2	Subcontract Revenue	8,899,679	97	30 days	Note 1	Note 1	3,309,438	79	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxsemicon Integrated Technology (Shanghai) Inc.	Note 9	Purchases	\$ 352,258	2	30 days	Note 1	Note 1	(\$ 82,304)	( 2)	
Qunkang Precision Component (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 2	Sales	4,158,372	74	90 days	Note 1	Note 1	2,201,885	100	
Competition Team Technology Ltd.	Futaihua Precision Electronics (Zhenzhou) Limited	Note 2	Sales	1,534,356	-	90 days	Note 1	Note 1	254,238	-	
Competition Team Technology Ltd.	Hongfujin Precision Electronics (Zhenzhou) Limited	Note 2	Sales	5,045,426	1	90 days	Note 1	Note 1	596,527	-	
Hightech Electronics Components Inc.	Foxconn Image & Printing Product Pte. Ltd.	Note 2	Sales	15,617,564	13	60 days	Note 1	Note 1	6,900,380	21	
Hightech Electronics Components Inc.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	353,621	-	60 days	Note 1	Note 1	77,890	-	
Hightech Electronics Components Inc.	Fusing International Inc. Pte. Ltd.	Note 2	Sales	7,723,017	6	60 days	Note 1	Note 1	4,224,630	13	
Hightech Electronics Components Inc.	Competition Team Ireland Limited	Note 2	Sales	12,029,829	10	60days	Note 1	Note 1	3,864,411	12	
Hightech Electronics Components Inc.	Foxconn Japan Ltd.	Note 2	Sales	702,648	1	60 days	Note 1	Note 1	140,984	-	
Hightech Electronics Components Inc.	Foxconn Singapore Pte. Ltd.	Note 2	Sales	183,224	-	60 days	Note 1	Note 1	57,913	-	
Smart Top International Ltd.	Hongye Precision Component (Kunshan) Co., Ltd.	Note 2	Sales	208,860	3	60days	Note 1	Note 1	189,151	9	
Smart Top International Ltd.	Competition Team Ireland Limited	Note 2	Sales	3,951,529	95	90days	Note 1	Note 1	1,994,615	87	
Best Ever Industries Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	2,982,792	16	90 days	Note 1	Note 1	634,037	12	
Best Ever Industries Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 2	Sales	2,707,971	14	90 days	Note 1	Note 1	401,847	8	
Best Ever Industries Ltd.	Hongfujin Precision Electronics (Zhenzhou) Limited	Note 2	Sales	4,147,488	22	90 days	Note 1	Note 1	1,362,843	26	
Best Ever Industries Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	146,674	1	90 days	Note 1	Note 1	26,916	1	
Best Leap Enterprises Limited	Fusing International Inc. Pte. Ltd.	Note 2	Sales	4,941,655	1	90 days	Note 1	Note 1	1,009,145	1	
Best Leap Enterprises Limited	Futaihua Industrial (Shenzhen) Limited.	Note 2	Sales	3,597,602	-	90 days	Note 1	Note 1	1,218,551	1	
Best Leap Enterprises Limited	Foxconn Technology Pte. Ltd.	Note 3	Sales	230,798	-	90 days	Note 1	Note 1	8,937	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Skilltop Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 2	Sales	\$ 21,311,986	93	45 days	Note 1	Note 1	\$ 1,340,788	12	
Skilltop Limited	Fuhuaje Industrial (Shenzhen) Limited	Note 2	Sales	643,670	3	45 days	Note 1	Note 1	628,274	5	
Skilltop Limited	Fusing International Inc.	Note 2	Sales	392,136	2	90 days	Note 1	Note 1	385,108	2	
Skilltop Limited	Competition Team Ireland Limited	Note 2	Sales	606,633	3	90 days	Note 1	Note 1	595,760	2	
Tripleheads International Ltd.	Competition Team Ireland Limited	Note 2	Sales	686,688	92	90 days	Note 1	Note 1	377,215	4	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Dragon Spirit Industries Ltd.	Note 2	Sales	7,836,936	12	30 days	Note 1	Note 1	-	-	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Note 2	Sales	185,379	-	30 days	Note 1	Note 1	99,894	1	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Note 2	Sales	2,634,742	4	30 days	Note 1	Note 1	1,195,803	8	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	Note 2	Sales	49,479,435	73	30 days	Note 1	Note 1	11,206,431	77	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	837,614	1	90 days	Note 1	Note 1	( 137,974)	( 1)	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Pan Interation Industrial Co.	Note 7	Purchases	591,534	1	90 days	Note 1	Note 1	( 109,845)	( 1)	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	IRIS World Enterprises Ltd.	Note 4	Purchases	193,679	-	90 days	Note 1	Note 1	( 18,425)	-	
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Note 8	Purchases	219,887	-	90 days	Note 1	Note 1	( 16,099)	-	
Foxconn CZ S.R.O.	Foxconn Global Services Division S.R.O.	Note 2	Sales	180,405	-	45 days	Note 1	Note 1	29,967	-	
Foxconn CZ S.R.O.	Foxconn Rus, LLC	Note 2	Sales	982,393	1	45 days	Note 1	Note 1	133,665	1	
Foxconn CZ S.R.O.	Foxconn TR Teknoloji San. Ltd. Sti.	Note 2	Sales	404,378	-	45 days	Note 1	Note 1	338,972	3	
Foxconn CZ S.R.O.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	137,181	-	45 days	Note 1	Note 1	-	-	
Foxconn CZ S.R.O.	CyberTAN Technology Inc.	Note 7	Purchases	814,881	1	45 days	Note 1	Note 1	( 51,657)	-	
Foxconn Global Services Division	Foxconn CZ S.R.O.	Note 2	Sales	319,399	17	45 days	Note 1	Note 1	72,834	22	
Foxconn Global Services Division	Foxconn Slovakia, SPOL. S R.O.	Note 2	Sales	169,838	9	45 days	Note 1	Note 1	396	-	
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	408,936	1	90 days	Note 1	Note 1	127,276	1	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Note 2	Sales	\$ 156,962	-	90 days	Note 1	Note 1	\$ -	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Note 2	Sales	463,492	1	90 days	Note 1	Note 1	29,219	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	2,664,247	8	90 days	Note 1	Note 1	808,655	5	5
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 2	Sales	1,652,473	5	90 days	Note 1	Note 1	500,820	3	3
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fu Ding Precision Electronics (Zhengzhou) Co., Ltd.	Note 2	Sales	750,677	2	90 days	Note 1	Note 1	1,338	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	1,742,470	5	90 days	Note 1	Note 1	1,286,241	7	7
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Note 2	Sales	11,039,566	34	90 days	Note 1	Note 1	8,510,137	49	49
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Note 2	Sales	2,880,209	9	90 days	Note 1	Note 1	135,647	1	1
Fujin Precision Industrial (Jincheng) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Note 2	Sales	674,156	2	90 days	Note 1	Note 1	293,875	2	2
Fujin Precision Industrial (Jincheng) Co., Ltd.	MWM Co., Ltd.	Note 2	Sales	1,049,255	3	90 days	Note 1	Note 1	577,395	3	3
Fujin Precision Industrial (Jincheng) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	977,942	3	90 days	Note 1	Note 1	218,615	1	1
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 2	Sales	2,959,965	9	90 days	Note 1	Note 1	2,271,853	13	13
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Taiyuan) Co., Ltd.	Note 3	Sales	2,025,198	6	90 days	Note 1	Note 1	2,113,040	12	12
Hongzhun Precision Tooling (Shenzhen) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Note 2	Subcontract Revenue	120,888	100	90 days	Note 1	Note 1	45,476	97	97
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Note 2	Sales	1,330,069	16	30 days	Note 1	Note 1	426,221	6	6
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Note 2	Sales	3,571,283	43	90 days	Note 1	Note 1	4,465,913	66	66

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Note 2	Sales	\$ 660,066	8	90 days	Note 1	Note 1	\$ 61,562	1	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn (Kun Shan) Computer Connector Co., Ltd.	Note 2	Sales	911,413	11	90 days	Note 1	Note 1	306,797	5	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	603,906	7	60 days	Note 1	Note 1	77,569	1	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 2	Sales	406,535	5	90 days	Note 1	Note 1	216,215	3	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Sales	159,738	2	90 days	Note 1	Note 1	32,607	-	
Foxconn EMS Inc.	Carston Ltd.	Note 2	Sales	174,306	14	30 days	Note 1	Note 1	34,898	9	
PCE Technology Inc.	Heroic Legend Enterprises Ltd.	Note 2	Sales	168,736	5	30 days	Note 1	Note 1	35,194	21	
PCE Technology Inc.	Franklin Management Ltd.	Note 2	Sales	113,274	5	30 days	Note 1	Note 1	29,534	27	
QHUB Logistics Corporation	Foxconn / Hon Hai Logistics Texas LLC.	Note 2	Sales	158,786	54	7 days	Note 1	Note 1	-	-	
Shenzhen Fuhongjie Technology Service Co., Ltd.	Carston Ltd.	Note 2	Subcontract Revenue	668,687	72	30 days	Note 1	Note 1	74,249	73	
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	1,538,726	61	90 days	Note 1	Note 1	511,480	54	
Shenzhen Fertile Plan International Logistics Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Note 2	Sales	101,604	17	90 days	Note 1	Note 1	22,571	15	
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electronical Technology (Huaian) Co., Ltd.	Note 2	Sales	760,590	60	30 days	Note 1	Note 1	743,467	64	
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Huaian Fulitong Trading Co., Ltd.	Note 2	Sales	493,764	39	30 days	Note 1	Note 1	383,858	33	
Fuyu Electronical Technology (Huaian) Co., Ltd.	Success Rise Enterprises Ltd.	Note 2	Subcontract Revenue	10,321,071	100	30 days	Note 1	Note 1	3,224,509	87	
PCE Paragon Solutions (USA) Inc.	PCE Paragon Solutions Kft.	Note 2	Sales	146,343	37	30 days	Note 1	Note 1	28,509	33	
Funing Precision Component Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	105,096	2	45 days	Note 1	Note 1	16,719	1	
Foxconn Baja California S.A. De C.V.	Competition Team Ireland Limited	Note 2	Sales	125,083	6	60 days	Note 1	Note 1	3,337	1	
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Note 2	Sales	99,499,196	93	60 days	Note 1	Note 1	7,243,984	89	



Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	\$ 301,164	-	90 days	Note 1	Note 1	\$ -	-	-
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	FTP Technology Inc.	Note 3	Purchases	949,174	1	30 days	Note 1	Note 1	( 289,208)	( 2)	
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Foxconn Technology Co., Ltd.	Note 3	Purchases	743,063	-	90 days	Note 1	Note 1	( 215,388)	( 1)	
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	2,249,818	1	90 days	Note 1	Note 1	( 174,127)	( 1)	
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Pan International Industrial Co.	Note 7	Purchases	1,025,533	1	90 days	Note 1	Note 1	( 237,155)	( 1)	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	AMB Logistics Ltd.	Note 2	Sales	1,169,018	1	60 days	Note 1	Note 1	872,992	3	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 2	Sales	7,957,826	4	45 days	Note 1	Note 1	1,046,516	3	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Note 2	Sales	2,430,262	1	90 days	Note 1	Note 1	2,406,492	7	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Competition Team Technology Pte. Ltd.	Note 2	Sales	3,429,823	2	30 days	Note 1	Note 1	914,768	3	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Hongfutai Precision Electrons(Yantai) Co., Ltd.	Note 2	Sales	1,521,568	1	90 days	Note 1	Note 1	850,198	3	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Full Profit International Limited	Note 2	Sales	1,008,692	-	30 days	Note 1	Note 1	254,515	1	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	Note 2	Sales	107,086,065	48	30 days	Note 1	Note 1	6,581,778	20	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Note 2	Sales	424,816	-	90 days	Note 1	Note 1	75,444	-	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	YanTai FuHuaDa Precision Electronics Co., Ltd.	Note 2	Sales	5,059,763	2	90 days	Note 1	Note 1	3,085,985	9	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Note 2	Sales	137,491	-	90 days	Note 1	Note 1	126,927	-	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Competition Team Ireland Limited	Note 2	Sales	867,633	-	90 days	Note 1	Note 1	31,963	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Note 7	Sales	\$ 76,108,306	34	30 days	Note 1	Note 1	\$ 15,288,164	46	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Note 7	Purchases	2,990,004	9	90 days	Note 1	Note 1	( 2,054,799)	( 6)	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Pan International Industrial Co.	Note 7	Purchases	4,145,266	2	90 days	Note 1	Note 1	( 1,345,486)	( 4)	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	1,522,882	1	90 days	Note 1	Note 1	( 50,437)	-	
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	1,402,624	1	90 days	Note 1	Note 1	( 115,803)	-	
Falcon Precision Trading Limited	Fusing International Inc.	Note 2	Sales	2,448,371	96	45 days	Note 1	Note 1	2,180,795	36	
Falcon Precision Trading Limited	Hongfujin Precision Electronics (Chengdu) Limited	Note 2	Sales	2,550,172	100	30 days	Note 1	Note 1	282,498	3	
Universal Field International Limited	Hongfutai Precision Electrons (Yantai) Co., Ltd.	Note 2	Sales	421,662	-	90 days	Note 1	Note 1	156,972	1	
Universal Field International Limited	Hongfujin Precision Industry (Yantai) Co., Ltd.	Note 2	Sales	828,169	1	30 days	Note 1	Note 1	178,852	1	
Top Step Enterprises Limited	Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Note 2	Sales	1,987,696	2	45 days	Note 1	Note 1	603,873	6	
Top Step Enterprises Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 2	Sales	3,374,411	3	60 days	Note 1	Note 1	256,098	2	
Foxconn Technology CZ S. R. O.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Sales	380,188	20	45 days	Note 1	Note 1	316,888	69	
Foxconn Technology CZ S. R. O.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	145,572	76	45 days	Note 1	Note 1	( 121,821)	( 53)	
Fu Yu Energy Technology (Kunshan) Co., Ltd.	Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Note 2	Sales	230,979	55	60 days	Note 1	Note 1	268,752	48	
Fugion Material Technology (Shenzhen) Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Note 2	Sales	1,323,602	19	90 days	Note 1	Note 1	195,898	44	
Fugion Material Technology (Shenzhen) Limited	Fuhong Precision Component (Shenzhen) Co., Ltd.	Note 2	Sales	161,488	2	90 days	Note 1	Note 1	26,932	6	
Fugion Material Technology (Shenzhen) Limited	Fu Ding Precision Component (Zhengzhou) Co., Ltd.	Note 2	Sales	455,173	7	90 days	Note 1	Note 1	59,077	13	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Fugion Material Technology (Shenzhen) Limited	Fukui Precision Component (Shenzhen) Co., Ltd.	Note 4	Sales	\$ 340,362	5	90 days	Note 1	Note 1	\$ 58,031	13	
Huaian Fultong Trading Co., Ltd.	Foxconn Precision Electronics (Lang Fang) Co., Ltd.	Note 2	Sales	177,802	8	60 days	Note 1	Note 1	69,987	9	
Huaian Fultong Trading Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Note 2	Sales	106,131	5	30 days	Note 1	Note 1	91,749	12	
Huaian Fultong Trading Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 2	Sales	310,002	14	30 days	Note 1	Note 1	192,997	26	
Foxconn Image & Printing Product Pte. Ltd.	Fuhuaje Industrial (Shenzhen) Limited	Note 2	Sales	333,071	1	60 days	Note 1	Note 1	-	-	
Foxconn Image & Printing Product Pte. Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	334,431	1	60 days	Note 1	Note 1	186,355	3	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	221,534	-	90 days	Note 1	Note 1	114,378	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Note 2	Sales	158,024	-	90 days	Note 1	Note 1	25,033	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Note 2	Sales	782,867,169	90	90 days	Note 1	Note 1	131,860,729	83	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 2	Sales	3,127,252	-	90 days	Note 1	Note 1	3,643,963	2	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 2	Sales	10,618,756	1	90 days	Note 1	Note 1	3,952,654	3	
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Note 2	Sales	2,869,305	-	90 days	Note 1	Note 1	1,102,065	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Note 2	Sales	17,771,198	2	90 days	Note 1	Note 1	7,326,521	5	
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	1,292,555	-	90 days	Note 1	Note 1	1,473,771	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 2	Sales	2,630,914	-	90 days	Note 1	Note 1	1,937,113	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Note 2	Sales	1,648,774	-	90 days	Note 1	Note 1	1,084,734	1	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn CMMMSG Industria De Eletronicos Ltd.	Note 2	Sales	\$ 2,298,167	-	90 days	Note 1	Note 1	\$ 1,127,182	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Nanning Funing Precision Electronics Co., Ltd.	Note 3	Purchases	198,286	-	90 days	Note 1	Note 1	-	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Sales	472,196	-	90 days	Note 1	Note 1	140,282	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	1,305,912	1	90 days	Note 1	Note 1	( 462,123)	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	1,684,472	1	90 days	Note 1	Note 1	( 336,565)	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fuzhun Precision (Shenzhen) Industry Co., Ltd.	Note 3	Purchases	662,652	1	90 days	Note 1	Note 1	( 215,125)	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	202,158	-	30 days	Note 1	Note 1	-	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	8,335,077	7	90 days	Note 1	Note 1	( 1,810,394)	( 1)	
Fuhujie Industrial (Shenzhen) Limited	Skilltop Limited	Note 2	Sales	22,863,975	45	90 days	Note 1	Note 1	2,683,902	39	
Fuhujie Industrial (Shenzhen) Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 2	Sales	409,864	1	30 days	Note 1	Note 1	186,758	3	
Fuhujie Industrial (Shenzhen) Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	4,001,810	8	90 days	Note 1	Note 1	3,238,990	47	
Fuhujie Industrial (Shenzhen) Limited	Pan-International Industrial Co.	Note 7	Purchases	258,965	6	90 days	Note 1	Note 1	( 10,918)	-	
Fuhujie Industrial (Shenzhen) Limited	IRIS World Enterprises Limited	Note 4	Purchases	546,415	13	90 days	Note 1	Note 1	( 14,507)	-	
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Note 2	Sales	696,385	-	60 days	Note 1	Note 1	7,563	-	
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	HighTech Electronics Components Inc.	Note 2	Sales	121,082,335	84	60 days	Note 1	Note 1	29,666,431	91	
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	5,256,778	4	30 days	Note 1	Note 1	2,161,370	7	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	\$ 2,428,314	6	90 days	Note 1	Note 1	(\$ 13,410)	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Innocom Technology (Shenzhen) Co., Ltd.	Note 6	Purchases	303,488	-	60 days	Note 1	Note 1	( 147,711)	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Nanghai Chi Mei Electronics Ltd.	Note 6	Purchases	104,539	-	60 days	Note 1	Note 1	( 14,773)	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	356,964	-	30 days	Note 1	Note 1	( 119,463)	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Pan-International Industrial Co.	Note 7	Purchases	243,592	-	60 days	Note 1	Note 1	( 80,885)	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	1,102,450	1	60 days	Note 1	Note 1	( 179,293)	-	-
Foxconn Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Note 2	Sales	521,485	13	60 days	Note 1	Note 1	-	-	-
Foxconn Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Note 2	Sales	715,291	18	90 days	Note 1	Note 1	69,165	11	11
Foxconn Precision Electronics (Yantai) Co., Ltd.	YanTai FuHuaDa Precision Electronics Limited	Note 2	Sales	1,056,579	26	45 days	Note 1	Note 1	169,201	28	28
Foxconn Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Co.	Note 7	Purchases	118,386	4	90 days	Note 1	Note 1	( 51,514)	( 11)	11)
Chongqingshi Futaitong Logistics Limited Co., Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	296,486	54	30 days	Note 1	Note 1	163,850	71	71
Chongqingshi Futaitong Logistics Limited Co., Limited	HongDaoFu (Chongqing) Technology Co., Ltd.	Note 7	Sales	200,052	37	60 days	Note 1	Note 1	53,229	23	23
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Note 2	Sales	16,427,949	67	90 days	Note 1	Note 1	3,435,836	84	84
FuXun Tong Trading (ShenZhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	140,708	5	90 days	Note 1	Note 1	18,051	5	5
FuXun Tong Trading (ShenZhen) Co., Ltd.	ZhengZhou XunFeng Trading Co., Ltd.	Note 2	Sales	143,806	4	90 days	Note 1	Note 1	14,424	4	4
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	125,062	-	30 days	Note 1	Note 1	44,899	-	-

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions		Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Note 2	Sales	\$ 2,546,681	-	90 days	Note 1	Note 1	\$ 284,989	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	19,590,798	2	90 days	Note 1	Note 1	4,540,794	5
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	367,178	-	90 days	Note 1	Note 1	( 107,699)	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	4,058,727	-	90 days	Note 1	Note 1	( 935,341)	( 1)
Futaihua Precision Electronics (Chengdu) Limited	Hongfujin Precision Electronics (Chengdu) Limited	Note 2	Sales	2,416,964	86	90 days	Note 1	Note 1	1,311,037	79
Futaihua Precision Electronics (Chengdu) Limited	Interface Technology (Chengdu) Co., Ltd.	Note 10	Sales	252,353	9	30 days	Note 1	Note 1	222,330	13
Fu Ding (Zhengzhou) Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 2	Sales	102,075	7	90 days	Note 1	Note 1	118,767	8
Fu Ding (Zhengzhou) Precision Industry Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Limited	Note 2	Sales	101,146	7	90 days	Note 1	Note 1	99,820	6
Fu Ding (Zhengzhou) Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Limited	Note 2	Sales	180,100	13	90 days	Note 1	Note 1	177,392	11
Fu Ding (Zhengzhou) Precision Industry Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 2	Sales	582,468	42	90 days	Note 1	Note 1	677,721	43
Fu Ding (Zhengzhou) Precision Industry Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Sales	424,521	31	90 days	Note 1	Note 1	493,945	32
Fujun Precision Electronics (Chongqing) Co., Ltd.	Fuhuajie Industrial (Shenzhen) Limited	Note 2	Sales	548,042	10	45 days	Note 1	Note 1	637,666	38
Fujun Precision Electronics (Chongqing) Co., Ltd.	Innocom Technology (Chongqing) Co., Ltd.	Note 2	Purchases	534,961	10	30 days	Note 1	Note 1	( 282,846)	( 1)
YanTai FuHuaDa Precision Electronics Limited	Universal Field International Limited	Note 2	Sales	7,593,657	58	30 days	Note 1	Note 1	1,165,314	45
YanTai FuHuaDa Precision Electronics Limited	FuXun Tong Trading(ShenZhen) Co., Ltd.	Note 2	Sales	185,809	1	90 days	Note 1	Note 1	216,195	8
Anpinda Precision Industrial (Huizhou) Co., Ltd.	Glorious Prospect Enterprises Ltd.	Note 2	Sales	22,504,978	100	90 days	Note 1	Note 1	4,860,952	98

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
System Integration Electronics (Hangzhou) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Note 2	Sales	\$ 320,577	7	45 days	Note 1	Note 1	\$ 33,916	7	
Wang Hui Trading Co., Ltd.	Kantron International Trading (Shenzhen) Co., Ltd.	Note 2	Sales	163,823	40	30 days	Note 1	Note 1	113,753	83	
NanNing FuGui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	282,368	1	60 days	Note 1	Note 1	309,727	5	
NanNing FuGui Precision Industrial Co., Ltd.	Mega Well Limited	Note 2	Sales	23,123,969	97	60 days	Note 1	Note 1	6,269,967	94	
NanNing FuGui Precision Industrial Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	975,134	25	90 days	Note 1	Note 1	-	-	
Futaihua Precision Electronics (Zhengzhou) Limited	Competition Team Technologies Limited	Note 2	Sales	1,575,267	8	90 days	Note 1	Note 1	38,904	-	
Futaihua Precision Electronics (Zhengzhou) Limited	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	8,410,066	43	90 days	Note 1	Note 1	5,254,452	63	
Futaihua Precision Electronics (Zhengzhou) Limited	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 2	Sales	7,683,619	39	90 days	Note 1	Note 1	2,091,461	25	
Futaihua Precision Electronics (Zhengzhou) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	2,020,969	10	90 days	Note 1	Note 1	914,597	11	
Futaihua Precision Electronics (Zhengzhou) Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	296,523	3	30 days	Note 1	Note 1	( 126,247)	( 2)	
Hongfujin Precision Electronics (Zhengzhou) Limited	Competition Team Technologies Limited	Note 2	Sales	528,064,023	91	90 days	Note 1	Note 1	126,198,176	87	
Hongfujin Precision Electronics (Zhengzhou) Limited	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	10,712,805	2	90 days	Note 1	Note 1	6,418,015	4	
Hongfujin Precision Electronics (Zhengzhou) Limited	Futaihua Precision Electronics (Zhengzhou) Limited	Note 2	Sales	2,288,141	-	90 days	Note 1	Note 1	723,523	-	
Hongfujin Precision Electronics (Zhengzhou) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 2	Sales	37,285,491	6	90 days	Note 1	Note 1	12,043,997	8	
Hongfujin Precision Electronics (Zhengzhou) Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 3	Purchases	2,132,588	2	90 days	Note 1	Note 1	( 637,671)	-	
Hongfujin Precision Electronics (Zhengzhou) Limited	Foxconn Technology Pte. Ltd.	Note 3	Purchases	612,418	1	90 days	Note 1	Note 1	( 226,097)	-	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Hongfujin Precision Electronics (Zhengzhou) Limited	Pan-International Industrial Co.	Note 7	Purchases	\$ 230,777	-	90 days	Note 1	Note 1	(\$ 140,257)	-	
Hongfujin Precision Electronics (Zhengzhou) Limited	IRIS World Enterprises Limited	Note 4	Purchases	6,880,474	6	90 days	Note 1	Note 1	( 3,312,462)	( 2)	
ZhengZhou XunFeng Trading Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Limited	Note 2	Sales	887,853	7	90 days	Note 1	Note 1	496,703	20	
ZhengZhou XunFeng Trading Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 2	Sales	11,282,306	93	90 days	Note 1	Note 1	2,010,346	80	
Fusing International Inc.	Innolux Corporation Ltd.	Note 6	Sales	753,157	7	90 days	Note 1	Note 1	100,054	3	
Fusing International Inc.	Innolux Corporation Ltd.	Note 6	Purchases	471,928	4	60 days	Note 1	Note 1	-	-	
Fusing International Inc.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	2,067,170	17	45 days	Note 1	Note 1	( 46,987)	( 1)	
ChengDu XunFeng Trading Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 2	Sales	3,796,784	100	30 days	Note 1	Note 1	1,160,881	100	
ChongQing HongFuZhun Trading Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	272,605	86	60 days	Note 1	Note 1	3,273	100	
HongZhaoDa Integrated Innovative Service (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 2	Sales	1,607,783	100	45 days	Note 1	Note 1	114,887	100	
Competition Team Ireland Limited	Foxconn CZ S.R.O.	Note 2	Sales	479,025	1	45 days	Note 1	Note 1	37,683	-	
Competition Team Ireland Limited	Fuhujie Industrial (Shenzhen) Limited	Note 2	Sales	177,579	-	60 days	Note 1	Note 1	73,423	1	
Competition Team Ireland Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	10,387,851	17	60 days	Note 1	Note 1	3,316,751	37	
Competition Team Ireland Limited	Fusing International Inc.	Note 2	Sales	1,390,779	2	60 days	Note 1	Note 1	329,013	4	
Competition Team Ireland Limited	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Sales	1,660,185	3	60 days	Note 1	Note 1	25,538	-	
Competition Team Ireland Limited	Innocom Technology (Chongqing) Co., Ltd.	Note 2	Sales	2,236,542	4	90 days	Note 1	Note 1	275,733	3	
Competition Team Ireland Limited	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	4,582,419	10	60 days	Note 1	Note 1	( 1,092,306)	( 13)	
WWW (Jincheng) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd	Note 2	Sales	101,597	3	90 days	Note 1	Note 1	36,061	3	
WWW (Jincheng) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 2	Sales	322,111	8	90 days	Note 1	Note 1	242,188	23	
WWW (Jincheng) Co., Ltd.	Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	Note 2	Sales	719,262	18	90 days	Note 1	Note 1	341,383	33	
WWW (Jincheng) Co., Ltd.	Best Ever Industries Ltd.	Note 2	Sales	304,077	8	60 days	Note 1	Note 1	44,260	4	
WWW (Jincheng) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 2	Sales	346,107	9	90 days	Note 1	Note 1	29,773	3	



Company	Counterparty	Relationship with the Company	Transactions			Percentage of purchases / sales	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount	Terms		Unit price	Terms	Balance	Percentage of balance	Note
Fortune Co., Ltd.	Best Ever Industries Ltd.	Note 2	Sales	\$ 199,921	100	90 days	Note 1	Note 1	\$ 146,993	100	
MWM Co., Ltd.	Best Ever Industries Ltd.	Note 2	Sales	4,017,106	100	90 days	Note 1	Note 1	2,041,392	98	
Mexus Solutions Inc.	Franklin Management Ltd.	Note 2	Sales	126,569	59	30 days	Note 1	Note 1	25,132	65	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	15,920,413	13	90 days	Note 1	Note 1	6,779,289	8	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 2	Sales	8,694,459	7	90 days	Note 1	Note 1	5,672,591	7	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Note 2	Sales	95,486,777	79	90 days	Note 1	Note 1	26,224,472	33	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn CMMMSG Industria De Eletronicos Ltda.	Note 2	Sales	1,322,984	1	90 days	Note 1	Note 1	1,307,447	2	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	660,552	-	90 days	Note 1	Note 1	-	-	
Scientific-Atlanta de Mexico S de R. L. de C. V.	Competition Team Ireland Limited	Note 2	Sales	2,353,028	100	7 days	Note 1	Note 1	72,495	3	
Futaihua Precision Electronics (Jiyuan) Limited	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 2	Sales	341,145	2	90 days	Note 1	Note 1	338,551	7	
Futaihua Precision Electronics (Jiyuan) Limited	Hongfujin Precision Electronics (Zhenzhou) Limited	Note 2	Sales	14,077,244	97	90 days	Note 1	Note 1	4,668,016	92	
Ambit Microsystems Corporation Limited	Ambit Microsystems (Zhong shan) Corporation	Note 2	Sales	614,146	72	60 days	Note 1	Note 1	604,953	51	
Innocom Technology (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Note 2	Sales	534,961	11	90 days	Note 1	Note 1	282,847	67	
Innocom Technology (Chongqing) Co., Ltd.	Lakers Trading Ltd.	Note 6	Sales	1,661,558	34	90 days	Note 1	Note 1	89,158	21	
Innocom Technology (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Note 2	Sales	1,509,474	31	60 days	Note 1	Note 1	-	-	
NSG Technology Inc.	Heroic Legend Enterprises Ltd.	Note 2	Sales	387,505	8	30 days	Note 1	Note 1	1,723	1	
NSG Technology Inc.	Competition Team Ireland Limited	Note 2	Sales	231,990	5	30 days	Note 1	Note 1	13,260	11	
Foxconn Japan Ltd.	Beyond Maximum Industrial Ltd.	Note 2	Sales	125,782	2	90 days	Note 1	Note 1	16,484	1	
Foxconn Japan Ltd.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	152,173	2	90 days	Note 1	Note 1	-	-	
Foxconn Japan Ltd.	Foxconn Technology Pte. Ltd.	Note 3	Purchases	264,749	4	90 days	Note 1	Note 1	( 125,159)	( 8)	
Foxconn Singapore Pte. Ltd.	Foxconn TR Teknoloji San. Ltd.	Note 2	Sales	3,242,771	30	45 days	Note 1	Note 1	361,939	20	

Company	Counterparty	Relationship with the Company	Transactions		Percentage of purchases / sales	Terms	Difference with general transactions			Notes and accounts receivable (payable)	
			Purchases /sales	Amount			Unit price	Terms	Balance	Percentage of balance	Note
Premier Image Technology (China) Ltd.	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Note 2	Sales	\$ 1,410,490	5	90 days	Note 1	Note 1	\$ 575,733	8	
Premier Image Technology (China) Ltd.	Jumbo Rise Management Limited	Note 2	Sales	23,826,813	84	90 days	Note 1	Note 1	4,996,287	67	
Premier Image Technology (China) Ltd.	Foxconn MOEBG Industria de Eletronicos Ltda.	Note 2	Sales	236,089	1	90 days	Note 1	Note 1	42,641	1	
Premier Image Technology (China) Ltd.	Innolux Corporation (Formerly Chimei Innolux Corporation)	Note 5	Purchases	899,628	12	60 days	Note 1	Note 1	( 53,849)	( 1)	
Premier Image Technology (China) Ltd.	Pan International Industry Co., Ltd.	Note 8	Purchases	1,090,595	15	90 days	Note 1	Note 1	( 388,910)	( 10)	
Premier Image Technology (China) Ltd.	Dongguan Pan-International Wire & Cable Co., Ltd.	Note 8	Purchases	233,363	3	90 days	Note 1	Note 1	( 60,018)	( 2)	
Premier Image Technology (China) Ltd.	IRIS World Enterprises Limited	Note 4	Purchases	169,879	2	90 days	Note 1	Note 1	( 37,356)	( 1)	
Foxconn Slovakia, SPOL. S R.O.	Foxconn RUS, LLC	Note 2	Sales	229,105	74	60 days	Note 1	Note 1	14,134	25	
Foxconn Slovakia, SPOL. S R.O.	Chimei Optoelectronics (Singapore) Pte. Ltd.	Note 6	Purchases	694,970	9	60 days	Note 1	Note 1	( 108)	-	
Fuhong Precision Component (Bac Giang) Limited	Funing Precision Component Co., Ltd.	Note 2	Sales	207,307	4	60 days	Note 1	Note 1	23,732	2	
Fenix Industria DE Eletronicos Ltda.	Foxconn CMMSG Industria De Eletronicos Ltda.	Note 2	Sales	1,051,604	76	90 days	Note 1	Note 1	79,207	67	
Foxconn CMMSG Industria De Eletronicos Ltda.	Futaihua Industrial (Shenzhen) Limited	Note 2	Sales	455,019	1	90 days	Note 1	Note 1	125,154	2	

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 investee and the counterparty are both indirect subsidiaries of the Company.

Note 3: The counterparty of the investee is an indirect subsidiary of FTC.

Note 4: The counterparty of the investee is an indirect subsidiary of Zhen Ding Technology Holding Limited.

Note 5: The Company's chairman is a major shareholder of the counterparty.

Note 6: The counterparty of the investee is an indirect subsidiary of Innolux.

Note 7: The counterparty of the investee is an investee of the Company accounted for under the equity method.

Note 8: The counterparty of the investee is an indirect subsidiary of PHIC.

Note 9: The counterparty of the investee is an indirect subsidiary of FITI.

Note 10: The counterparty of the investee is an indirect investee of the Company accounted for under the equity method.

9) Receivable from related parties in excess of \$100,000 or 20% of total contributed capital: please refer to information on significant transactions in Notes 11(1) and (2) and the following disclosures.

Company	Counterparty	Relationship with the company	Balance of	Turnover	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
			receivable from related parties		rate	Amount		
Ambit Microsystems (Zhong shan) Corporation	Ambit Microsystems Corporation Limited	Note 1	\$ 1,299,771	5	\$ -	-	\$1,299,771	\$ -
Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	Note 1	1,456,576	25	30,683	Subsequent collection	728,409	-
Ambit Microsystem (Shanghai) Co., Ltd.	Amworld Microsystems (Shanghai) Ltd.	Note 1	186,276	5	11,204	Subsequent collection	186,276	-
Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Technology (India) Private Limited	Note 1	123,279	2	20,831	Subsequent collection	23,728	-
Ambit Microsystem (Shanghai) Co., Ltd.	CyberTAN Technology Inc.	Note 7	194,116	3	4,677	Subsequent collection	156,147	-
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Note 1	1,470,556	5	398,018	Subsequent collection	398,000	-
Ingrasys Technology Co., Ltd.	PCE Paragon Solutions KFT.	Note 1	110,099	7	11,145	Subsequent collection	11,142	-
Foxnum Technology Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 1	139,166	7	101,577	Subsequent collection	101,091	-
FIH (Hong Kong) Limited	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Note 1	107,827	9	-	-	213	-
FIH (Hong Kong) Limited	Chi Mei Communication System ,Inc.	Note 1	1,083,664	5	-	-	759,216	-
FIH (Hong Kong) Limited	Foxconn India Pvt. Ltd.	Note 1	107,616	3	-	-	62,662	-
FIH (Hong Kong) Limited	Sutech Industry Inc.	Note 1	492,850	3	-	-	492,850	-
FIH (Hong Kong) Limited	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 1	148,297	2	-	-	134,979	-
FIH (Hong Kong) Limited	Futaihua Industrial (Shenzhen) Limited	Note 1	129,558	3	-	-	106,560	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Note 1	192,756	2	-	-	31,132	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 1	682,907	1	-	-	51,809	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Nanning Futaihong Precision Electronics Co., Ltd.	Note 1	759,974	3	-	-	193,953	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	184,701	2	-	-	175,389	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	163,982	2	-	-	163,982	-
Foxconn Precision Component (Beijing) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Note 1	163,709	3	-	-	77,320	-
Foxconn Precision Component (Beijing) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 1	167,795	1	-	-	93,907	-
Foxconn (Tianjin) Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Note 1	518,907	7	-	-	518,907	-
Futaijing Precision Electronics (Beijing) Co., Ltd.	Foxconn Precision Component (Beijing) Co., Ltd.	Note 1	183,779	2	-	-	145,867	-
Futaijing Precision Electronics (Beijing) Co., Ltd.	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 1	202,857	3	-	-	119,785	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	FIH (Hong Kong) Limited	Note 1	746,307	11	-	-	746,307	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	ShenZhen Fu Tai Hong Precision Industry Co., Ltd.	Note 1	140,273	1	-	-	92,677	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	Foxconn Precision Component (Beijing) Co., Ltd.	Note 1	1,026,944	2	-	-	140,743	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	Foxconn (Tianjin) Precision Industry Co., Ltd.	Note 1	234,987	2	-	-	106,748	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 1	112,966	2	-	-	93,450	-
Foxconn Precision Electronics (Langfang) Co., Ltd.	Eliteday Enterprises Limited	Note 1	142,851	12	-	-	142,851	-
Eliteday Enterprises Limited	Foxconn Precision Electronics (Langfang) Co., Ltd.	Note 1	366,772	2	-	-	192	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Nanning Futaihong Precision Industry Co., Ltd	Shenzhen Fu Tai Hong Precision Industry Co., Ltd	Note 1	\$ 860,295	3	\$ -	-	\$ 235,179	\$ -
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Note 1	421,475	6	-	-	421,475	-
Futaijing Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 1	1,657,101	3	-	-	1,237,984	-
Carston Ltd.	Lakers Trading Ltd.	Note 2	1,040,837	1	845,278	Subsequent collection	-	-
Carston Ltd.	IRIS World Enterprises Limited	Note 2	157,711	3	-	-	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd	Note 2	124,028	2	37	Subsequent collection	32,898	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Carston Ltd.	Note 1	283,725	8	-	-	60,873	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd	Note 1	1,254,847	2	287	Subsequent collection	1,254,847	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Note 1	119,083	2	2,241	Subsequent collection	109,166	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd	Note 1	110,126	3	16,592	Subsequent collection	108,224	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Heroic Legend Enterprises Ltd.	Note 1	1,053,441	7	-	-	219,062	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Yantaiishi Fulitong International Trading Co., Ltd.	Note 1	233,522	1	16,556	Subsequent collection	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Franklin Management Ltd.	Note 1	2,188,020	10	-	-	392,783	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 1	726,532	1	5,047	Subsequent collection	156,105	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Note 1	342,537	3	75,648	Subsequent collection	331	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	2,996,182	4	38,010	Subsequent collection	280,839	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuhua Industrial (Shenzhen) Limited	Note 1	626,068	2	5,295	Subsequent collection	36,478	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Tianjin) Co., Ltd.	Note 1	101,384	1	27	Subsequent collection	4,307	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 1	2,351,974	3	5,330	Subsequent collection	1,118,144	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd	Note 1	318,769	2	10,322	Subsequent collection	406	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Limited	Note 1	471,664	2	28,537	Subsequent collection	89,655	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	1,373,925	2	57,526	Subsequent collection	559,312	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Note 1	200,229	-	183,198	Subsequent collection	196,280	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	397,375	2	16,952	Subsequent collection	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 1	741,040	2	11,095	Subsequent collection	154,033	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Technology (Chengdu) Co., Ltd.	Note 1	101,304	5	21,502	Subsequent collection	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (SZ) Co., Ltd	Note 1	124,920	1	21,607	Subsequent collection	42,649	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuzhun Precision (Shenzhen) Industry Co., Ltd	Note 4	116,336	4	2,282	Subsequent collection	23,937	-
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Beyond Maximum Industrial Limited	Note 1	1,439,760	24	-	-	1,439,760	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Pte. Ltd.	Note 4	\$ 634,546	5	\$ 392,871	Subsequent collection	\$ 516,947	\$ -
Champ Tech Optical (Foshan) Corporation	Fuyu Technology (Nanyang) Co., Ltd.	Note 4	138,997	2	134,596	Subsequent collection	-	-
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Co., Ltd.	Note 7	132,601	5	77,254	Subsequent collection	131,052	-
Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	1,060,772	4	-	-	138,943	-
Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	MWM Co., Ltd.	Note 1	1,550,134	17	-	-	-	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Note 1	246,810	-	-	-	6,292	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Qunkang Precision Component (Kunshan) Co., Ltd.	Note 1	116,933	2	10,299	Subsequent collection	2,085	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Tripleheads International Ltd.	Note 1	496,611	-	137,772	Subsequent collection	135,268	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fusing International Inc.	Note 1	319,167	2	70,632	Subsequent collection	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 1	255,196	-	255,196	Subsequent collection	-	-
Foxconn (Kunshan) Computer Connector Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 1	1,106,416	-	1,068,116	Subsequent collection	30,695	-
Foxconn (Kunshan) Computer Connector Co., Ltd.	Success Rise Enterprise Limited	Note 1	1,379,694	10	-	-	-	-
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Note 1	3,309,438	3	-	-	2,313,712	-
Qunkang Precision Component (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 1	2,201,885	-	596,003	Subsequent collection	-	-
Competition Team Technology Pte. Ltd.	Futaihua Precision Electronics (Zhengzhou) Limited	Note 1	254,238	2	-	-	-	-
Competition Team Technology Pte. Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	596,527	6	-	-	-	-
Hightech Electronics Components Inc.	Foxconn Image & Printing Product Pte. Ltd.	Note 1	6,900,380	4	13,619	Subsequent collection	395,504	-
Hightech Electronics Components Inc.	Fusing International Inc.	Note 1	4,224,630	4	81,499	Subsequent collection	2,366,722	-
Hightech Electronics Components Inc.	Competition Team Ireland Limited	Note 1	3,864,411	6	15,591	Subsequent collection	452,759	-
Hightech Electronics Components Inc.	Foxconn Japan Ltd.	Note 1	140,984	10	66	Subsequent collection	1,903	-
Smart Top International Ltd.	Hongye Precision Component (Kunshan) Co., Ltd.	Note 1	189,151	1	118,298	Subsequent collection	-	-
Smart Top International Ltd.	Competition Team Ireland Limited	Note 1	1,994,615	2	528,048	Subsequent collection	-	-
Best Ever Industries Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	634,037	5	-	-	-	-
Best Ever Industries Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 1	401,847	7	-	-	-	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Best Ever Industries Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	\$ 1,362,843	6	\$ -	-	\$ -	\$ -
Best Leap Enterprises Limited	Fusing International Inc.	Note 1	1,009,145	3	-	-	816,024	-
Best Leap Enterprises Limited	Futaihua Industrial (Shenzhen) Limited	Note 1	1,218,551	-	46,997	Subsequent collection	1,218,551	-
Skilltop Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 1	1,340,788	12	41,657	Subsequent collection	290,400	-
Skilltop Limited	Fuhujie Industrial (Shenzhen) Limited	Note 1	628,274	5	-	-	-	-
Skilltop Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 1	199,399	3	-	-	193,554	-
Skilltop Limited	Fusing International Inc.	Note 1	385,108	2	-	-	-	-
Skilltop Limited	Competition Team Ireland Limited	Note 1	595,760	2	-	-	-	-
Tripleheads International Ltd.	Competition Team Ireland Limited	Note 1	377,215	2	-	-	305,243	-
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	Note 1	11,206,431	6	1,976,784	Subsequent collection	11,206,431	-
Hongfutai Precision Electrons (Yantai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Note 1	1,195,803	2	1,714	Subsequent collection	884,101	-
Foxconn CZ S.R.O.	Foxconn RUS, LLC	Note 1	133,665	5	-	-	117,260	-
Foxconn CZ S.R.O.	Foxconn TR Teknoloji San. Ltd. Sti.	Note 1	338,972	2	194,852	Subsequent collection	5,834	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Shenzhen) Co., Ltd.	Note 1	127,276	4	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	808,655	5	140,977	Subsequent collection	16,223	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 1	500,820	7	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Limited	Note 1	1,286,241	2	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Note 1	8,510,137	2	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Note 1	135,647	42	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Note 1	293,875	1	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	MWM Co., LTD.	Note 1	577,395	2	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	218,615	2	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Limited	Note 1	2,271,853	3	1,177,277	Subsequent collection	329,932	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 4	2,113,040	2	-	-	-	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Note 1	426,221	2	239,328	Subsequent collection	371,976	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Note 1	4,465,913	1	3,202,111	Subsequent collection	304,856	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Note 1	306,797	4	164,097	Subsequent collection	82,152	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 1	870,557	-	847,849	Subsequent collection	7,796	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Hongzhun Precision Tooling (Kunshan) Co., Ltd	Hongfujin Precision Electronics (Chengdu) Limited	Note 1	\$ 216,215	3	\$ 39,968	Subsequent collection	\$ 201,720	\$ -
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	511,480	6	16,307	Subsequent collection	321,003	-
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electronical Technology (Huaian) Co., Ltd.	Note 1	743,467	1	131,533	Subsequent collection	-	-
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Huaian Fulitong Trading Co., Ltd.	Note 1	383,858	2	74,177	Subsequent collection	-	-
Fuyu Electronical Technology (Huaian) Co., Ltd.	Success Rise Enterprises Limited	Note 1	3,224,509	6	-	-	-	-
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Note 1	7,243,984	14	-	-	7,243,984	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Note 2	1,046,516	6	1,023,565	Subsequent collection	1,023,565	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Futaijing Precision Electrons (Yantai) Co., Ltd	Note 2	2,406,492	2	643,943	Subsequent collection	643,943	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	AMB Logistics Ltd.	Note 1	872,992	2	812,888	Subsequent collection	812,888	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Competition Team Technology Pte. Ltd.	Note 1	914,768	7	18,993	Subsequent collection	637,762	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Hongfutai Precision Electrons (Yantai) Co., Ltd	Note 1	850,198	3	17,958	Subsequent collection	323,939	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Full Profit International Limited	Note 1	254,515	4	169,353	Subsequent collection	146,818	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	Note 1	6,581,778	8	1,279,666	Subsequent collection	6,581,778	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	YanTai FuHuaDa Precision Electronics Limited	Note 1	3,085,985	3	477,001	Subsequent collection	1,477,042	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd	Note 1	126,927	2	50,109	Subsequent collection	119,468	-
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd	Note 7	15,288,164	6	388,764	Subsequent collection	11,742,028	-
Falcon Precision Trading Limited	Fusing International Inc.	Note 1	2,180,795	2	-	-	-	-
Falcon Precision Trading Limited	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 1	282,498	-	51	Subsequent collection	51	-
Universal Field International Limited	Hongfutai Precision Electrons (Yantai) Co., Ltd.	Note 1	156,972	-	-	-	131,518	-
Universal Field International Limited	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Note 1	178,852	-	32,159	Subsequent collection	124,873	-
Top Step Enterprises Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Note 1	603,873	8	-	-	-	-
Top Step Enterprises Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 1	256,098	2	-	-	-	-
Foxconn Technology CZ S. R. O.	Innolux Corporation Ltd. (Formerly Chimei Innolux Corporation)	Note 3	316,888	-	316,888	Subsequent collection	50,646	-
FuYu Energy Technology (Kunshan) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Note 1	268,752	2	-	-	268,752	-
Fugion Material Technology (Shenzhen) Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Note 1	195,898	7	-	-	191,458	-
Huaian Fulitong Trading Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Note 1	192,997	3	35,407	Subsequent collection	58,501	-
Foxconn Image & Printing Product Pte. Ltd.	Hongfujin Precision Industry (Chongqing) Co., Ltd.	Note 1	186,355	1	86,994	Subsequent collection	152,151	-
Futaihua Industrial (Shenzhen) Limited	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	114,378	1	-	-	31,576	-
Futaihua Industrial (Shenzhen) Limited	Best Leap Enterprises Limited	Note 1	131,860,729	3	-	-	83,150,010	-
Futaihua Industrial (Shenzhen) Limited	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 1	3,643,963	1	-	-	3,068,042	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Futaihua Industrial (Shenzhen) Limited	Hongfujin Precision Electronics (Chengdu) Limited	Note 1	\$ 3,952,654	2	\$ -	-	\$ -	\$ -
Futaihua Industrial (Shenzhen) Limited	Futaihua Precision Electronics (Zhengzhou) Limited	Note 1	1,102,065	1	-	-	479,170	-
Futaihua Industrial (Shenzhen) Limited	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	7,326,521	2	-	-	4,136,110	-
Futaihua Industrial (Shenzhen) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	1,473,771	1	-	-	-	-
Futaihua Industrial (Shenzhen) Limited	Futaihua Precision Electronics (Jiyuan) Limited	Note 1	1,937,113	1	-	-	1,923,428	-
Futaihua Industrial (Shenzhen) Limited	Fuhong Precision Component (Bac Giang) Limited	Note 1	1,084,734	1	-	-	256,554	-
Futaihua Industrial (Shenzhen) Limited	Foxconn CMMSG Industria de Eletronicos Ltda.	Note 1	1,127,182	2	-	-	189,045	-
Futaihua Industrial (Shenzhen) Limited	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Note 4	140,282	2	-	-	12,797	-
Fuhuaajie Industrial (Shenzhen) Limited	Skilltop Limited	Note 1	2,683,902	1	148,574	Subsequent collection	1,223,714	-
Fuhuaajie Industrial (Shenzhen) Limited	Foxconn Image & Printing Product Pte. Ltd.	Note 1	186,758	1	31,749	Subsequent collection	-	-
Fuhuaajie Industrial (Shenzhen) Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 1	3,238,990	2	214,122	Subsequent collection	3,007,279	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Note 1	29,666,431	5	-	-	-	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Note 1	2,161,370	2	-	-	-	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd	YanTai FuHuaDa Precision Electronics Limited	Note 1	169,201	7	-	-	169,168	-
Chongqingshi Futaitong Logistics Limited Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Note 1	163,850	3	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Note 1	3,435,836	6	-	-	3,382,358	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Note 1	284,989	18	-	-	-	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	4,540,794	7	2,603	Subsequent collection	2,603	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 1	1,311,037	4	215,039	Subsequent collection	551,322	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Interface Technology (Chengdu) Co., Ltd.	Note 1	222,330	2	223,566	Subsequent collection	-	-
Fu Ding (ZhengZhou) Precision Industry Co., Ltd	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 1	118,767	2	-	-	-	-
Fu Ding (ZhengZhou) Precision Industry Co., Ltd	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	177,392	2	-	-	177,392	-
Fu Ding (ZhengZhou) Precision Industry Co., Ltd	Futaihua Precision Electronics (Jiyuan) Limited	Note 1	677,721	2	-	-	-	-



Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
Fu Ding (ZhengZhou) Precision Industry Co., Ltd	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Note 4	\$ 493,945	2	\$ -	-	\$ -	\$ -
Fujun Precision Electronics (Chongqing) Co., Ltd.	Fuhujie Industrial (Shenzhen) Limited	Note 1	637,666	2	-	-	-	-
YanTai FuHuaDa Precision Electronics Limited	Universal Fiele International Limited	Note 1	1,165,314	12	-	-	1,165,314	-
YanTai FuHuaDa Precision Electronics Limited	FuXun Tong Trading(Shenzhen) Co., Ltd.	Note 1	216,195	2	-	-	-	-
Anpinda Precision Industrial (Huizhou) Co., Ltd.	Glorious Prospect Enterprises Ltd.	Note 1	4,860,952	4	-	-	3,548,400	-
Wang Hui Trading Co., Ltd.	Kantron International Trading (Shenzhen) Co., Ltd.	Note 7	113,753	5	-	-	-	-
NanNing FuGui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	309,727	1	-	-	2,182	-
NanNing FuGui Precision Industrial Co., Ltd.	Mega Well Limited	Note 1	6,269,967	1	311,133	Subsequent collection	4,021,733	-
Futaihua Precision Electronics (Zhengzhou) Limited	Futaihua Industrial (Shenzhen) Limited	Note 1	5,254,452	2	-	-	-	-
Futaihua Precision Electronics (Zhengzhou) Limited	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	2,091,461	7	-	-	-	-
Futaihua Precision Electronics (Zhengzhou) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	914,597	4	-	-	-	-
Hongfujin Precision Electronics (Zhengzhou) Limited	Competition Team Technology Limited	Note 1	126,198,176	6	-	-	126,198,176	-
Hongfujin Precision Electronics (Zhengzhou) Limited	Futaihua Industrial (Shenzhen) Limited	Note 1	6,418,015	2	-	-	3,221,926	-
Hongfujin Precision Electronics (Zhengzhou) Limited	Futaihua Precision Electronics (Zhengzhou) Limited	Note 1	723,523	2	-	-	-	-
Hongfujin Precision Electronics (Zhengzhou) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	12,043,997	6	-	-	12,043,997	-
ZhengZhou XunFeng Trading Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Note 1	496,703	2	-	-	200,678	-
ZhengZhou XunFeng Trading Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	2,010,346	9	-	-	1,283,736	-
Fusing International Inc.	Innolux Corporation Ltd.	Note 2	100,054	15	100,054	Subsequent collection	100,054	-
ChengDu XunFeng Trading Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Limited	Note 1	1,160,881	5	12,500	Subsequent collection	80,753	-
HongZhaoDa Integrated Innovative Service (Kunshan) Co., Ltd.	Smart Top International Ltd.	Note 1	114,887	14	114,887	Subsequent collection	114,887	-
Competition Team Ireland Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Note 1	3,316,751	6	504,133	Subsequent collection	2,186,341	-
Competition Team Ireland Limited	Fusing International Inc.	Note 1	329,013	8	-	-	163,292	-
Competition Team Ireland Limited	Innocom Technology (Chongqing) Co., Ltd.	Note 2	275,733	16	69,093	Subsequent collection	142,948	-

Company	Counterparty	Relationship with the company	Balance of receivable from related parties	Turnover rate	Overdue receivables		Subsequent collection	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
WWW (Jincheng) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	\$ 242,188	1	\$ -	-	\$ -	\$ -
WWW (Jincheng) Co., Ltd.	Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	Note 1	341,383	2	-	-	-	-
Fortune Co., Ltd.	Best Ever Industries Ltd.	Note 1	146,993	2	-	-	133,553	-
MWM Co., Ltd.	Best Ever Industries Ltd.	Note 1	2,041,392	3	-	-	-	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Futaihua Industrial (Shenzhen) Limited	Note 1	6,779,289	5	6,779,289	Subsequent collection	6,527,095	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	5,672,591	3	-	Subsequent collection	5,617,632	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Note 1	26,224,112	7	-	Subsequent collection	17,806,048	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn CMMMSG Industria de Eletronicos Ltda.	Note 1	1,307,447	2	861,788	Subsequent collection	254,653	-
Futaihua Precision Electronics (Jiyuan) Limited	Fujin Precision Industrial (Jincheng) Co., Ltd.	Note 1	338,551	2	-	-	-	-
Futaihua Precision Electronics (Jiyuan) Limited	Hongfujin Precision Electronics (Zhengzhou) Limited	Note 1	4,668,016	6	-	-	-	-
Ambit Microsystems Corporation Limited	Ambit Microsystems (Zhong shan) Corporation	Note 1	604,953	2	-	-	392,620	-
Innocom Technology (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Note 1	282,847	4	-	-	-	-
Foxconn Singapore Pte. Ltd.	Foxconn TR Teknoloji San. Ltd. Sti.	Note 1	361,939	10	83,548	Subsequent collection	360,193	-
Premier Image Technology (China) Ltd.	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Note 1	575,733	3	36,626	Subsequent collection	277,104	-
Premier Image Technology (China) Ltd.	Premier Image Technology (HK) Ltd.	Note 1	1,079,426	-	1,079,426	Subsequent collection	-	-
Premier Image Technology (China) Ltd.	Jumbo Rise Management Limited	Note 1	4,996,287	5	-	-	-	-
Foxconn CMMMSG Industria de Eletronicos Ltda.	Futaihua Industrial (Shenzhen) Limited	Note 1	125,154	2	-	-	-	-
Note 1:	The investee and the counterparty are both indirect subsidiaries of the Company.							
Note 2:	The counterparty of the investee is an indirect subsidiary of Innolux.							
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 FTC.							
Note 5:	The counterparty of the investee is an investee of the Company accounted for under the equity method.							
Note 6:	The counterparty of the investee is an indirect subsidiary of Zhen Ding Technology Holding Limited.							
Note 7:	The counterparty of the investee is an indirect subsidiary of PIIC.							

10) Information on derivative transactions:

a) As of December 31, 2012, the information on derivative financial instruments of investee companies is as follows:

Derivative financial instrument	Contract amount (in thousands)		Maturity	Book Value	Fair Value
Forward exchange contracts:					
SELL USD/BUY KRW	USD	1,800	2013.02.26~2013.05.23	\$ 288	\$ 288
	KRW	1,949,780			
SELL USD/BUY MXN	USD	66,950	2013.01.03~2013.03.21	( 31,419)	( 31,419)
	MXN	858,763			
SELL USD/BUY RMB	USD	250,000	2013.08.05~2013.08.15	49,946	49,946
	RMB	1,582,660			
SELL EUR/BUY USD	EUR	6,600	2013.01.10~2013.03.21	( 5,474)	( 5,474)
	USD	8,555			
BUY EUR/ SELL INR	EUR	68	2013.01.04	35	35
	INR	4,867			
BUY JPY / SELL BRL	JPY	5,430	2013.02.14~2013.02.21	( 285)	( 285)
	BRL	150			
BUY JPY/ SELL INR	JPY	1,958	2013.01.04~2013.01.18	( 23)	( 23)
	INR	1,295			
BUY USD / SELL BRL	USD	5,100	2013.01.03~2013.02.28	( 3,297)	( 3,297)
	BRL	10,722			
BUY USD/SELL INR	USD	4,937	2013.01.01~2013.3.22	451	451
	INR	271,957			
BUY USD/SELL RMB	USD	210,372	2013.01.22~2013.03.20	( 20,034)	( 20,034)
	RMB	1,317,491			

b) Additional disclosure:

As of December 31, 2012, the Company recognized net gain of \$62,957 on derivative transactions (including net loss of \$9,812 on valuation of financial assets and liabilities on December 31, 2012).

## (3) Disclosure of information on indirect investments in Mainland China

## 1) Information on investments in Mainland China

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Jan. 1 ~Dec. 31, 2012	amount remitted from Taiwan as of Dec. 31, 2012	Remittance out					
Foxconn Precision Component (Beijing) Co., Ltd.	Manufacturing of telecommunication cases	\$ 1,997,952	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	69.49	\$ 472,137	\$ 16,591,093	\$ -	Note 2
Fujin Precision Industry (Shenzhen) Co., Ltd.	Manufacturing and processing of computer cases, computer peripherals, etc.	1,523,148	Note 1 (2)&(3)	145,200	-	-	145,200	100	21,116	2,330,151	126,614	Note 2
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	5,184,221	Note 1 (2)	-	-	-	-	69.49	( 2,472,474)	10,593,350	-	Note 2
Foxconn Precision Component (Shenzhen) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	1,729,040	Note 1 (2)&(3)	87,120	-	-	87,120	100	13,393	1,971,711	-	Note 2
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	3,682,272	Note 1 (2)	-	-	-	-	69.49	162,435	5,984,417	-	Note 2
Hongzhun Precision Tooling (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	435,600	Note 1 (2)	-	-	-	-	100	7,753	641,030	-	Note 2
Foxconn Computer Connectors (Kunshan) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	1,295,184	Note 1 (2)&(3)	145,200	-	-	145,200	100	590,130	5,410,017	207,346	Note 2
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	1,393,920	Note 1 (2)	-	-	-	-	100	771,670	4,769,598	-	Note 2
Hong Fujin Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer case and computer peripherals, etc.	4,907,760	Note 1 (2)	-	-	-	-	100	3,679,317	63,333,051	1,016,981	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to	
				from Taiwan	Jan. 1 ~Dec. 31, 2012	from Taiwan as of	Remittance				Remittance	Dec. 31, 2012
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	\$ 1,974,720	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	100	\$ 172,372	\$ 3,553,732	\$ -	Note 2
Futaije Science & Technology Development (Shenzhen) Co., Ltd.	Manufacturing and design of computer components keyboards, etc.	348,480	Note 1 (2)	-	-	-	-	100	9,404	555,104	-	Note 2
Fuhon Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	333,960	Note 1 (2)	-	-	-	-	100	16,598	1,310,359	63,017	Note 2
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases	2,497,440	Note 1 (2)	-	-	-	-	100	1,106,086	12,636,692	78,989	Note 2
Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components, computer peripherals, etc.	4,065,600	Note 1 (2)	842,160	-	-	842,160	100	( 909,550)	3,184,403	-	Note 2
Futaikang Precision Computer (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	166,980	Note 1 (2)	-	-	-	-	100	1,767	256,622	-	Note 2
Qunkang Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of switching hub and router cases	174,240	Note 1 (2)	-	-	-	-	100	( 139,037)	95,574	-	Note 2
Fujin Precision Industrial (Jincheng) Co., Ltd.	Manufacturing and marketing of computer cases	8,799,120	Note 1 (2)	1,481,040	2,904,000	-	4,385,040	100	3,409,727	14,767,933	-	Note 2
Honyeh Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components	168,432	Note 1 (2)	-	-	-	-	100	28,787	437,317	42,108	Note 2
Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, computer cases, etc.	1,248,720	Note 1 (2)	667,920	580,800	-	1,248,720	100	34,864	1,834,475	-	Note 2
Foxway Precision Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of router components	363,000	Note 1 (2)	-	-	-	-	100	35,949	928,069	-	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Remittance	Remittance	amount remitted from Taiwan as of Dec. 31, 2012					
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of auto digital signal process device and components	\$ 4,297,920	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	100	(\$ 3,322,095)	\$ 11,576,853	\$ -	Note 2
Ambit Microsystems (Zhong shan) Corporation	Manufacturing and marketing of power supplies	1,486,848	Note 1 (2)&(3)	711,480	-	-	711,480	100	1,084,254	2,688,314	-	Note 2
Ambit Microsystems (Shanghai) Co., Ltd.	Manufacturing and marketing of power supplies, modems and ADSL devices	2,131,536	Note 1 (2)&(3)	1,335,840	-	-	1,335,840	100	270,787	7,784,837	-	Note 2
Amlink (Shanghai) Ltd.	Manufacturing and marketing of power supplies, modems and ADSL devices	580,800	Note 1 (2)&(3)	203,280	-	-	203,280	44.81	8,210	527,726	-	Note 2
Fuxian Precision Industry (Kunshan) Co., Ltd.	Manufacturing and marketing of computer case	4,065,600	Note 1 (2)	-	-	-	-	100	148,509	5,498,996	-	Note 2
Dong Guan Hong Song Precision Component Co., Ltd.	Manufacturing and marketing of keypad and computer Components	290,400	Note 1 (2)	-	-	-	-	100	78,418	372,854	-	Note 2
Foxconn (Tianjin) Precision Industry Co., Ltd.	Manufacturing and marketing of wireless phone and components	1,533,312	Note 1 (2)	-	-	-	-	69.49	( 1,155,338)	( 613,254)	-	Note 2
Fugion Material Technology (Shenzhen) Limited	Manufacturing and marketing of potassium aurous cyanide	107,448	Note 1 (2)	-	-	-	-	70	22,893	126,599	-	Note 2
Antec Automotive Electric System (Kunshan) Co., Ltd.	Manufacturing and marketing of automobile	276,025	Note 1 (2)	145,200	-	-	145,200	100	( 19,919)	114,019	-	Note 2
Liuzhou Antec Fangshen Electric System Co., Ltd.	Manufacturing and marketing of automobile	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 2
Foxconn Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of telecommunication peripherals	1,190,640	Note 1 (2)	952,158	-	-	952,158	100	( 259,452)	1,144,517	-	Note 2
Premier Image Technology (China) Limited	Manufacturing and sale of cameras.	4,407,228	Note 1 (2)&(3)	18,876	-	-	18,876	99.96	( 64,643)	11,730,478	-	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to	
				amount remitted from Taiwan as of Jan. 1, 2012	Jan. 1 ~Dec. 31, 2012	amount remitted from Taiwan as of Dec. 31, 2012	Remittance out				Remittance in	Taiwan during Jan. 1~ Dec. 31, 2012
Fu Zhun Precision Tooling (Huai an) Co., Ltd.	Designing, manufacturing and marketing of computer components	\$ 2,880,768	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	100	\$ 227,932	\$ 4,933,013	\$ -	Note 2
Fu Yu Electrical Technology (Huaian) Co., Ltd.	Designing and marketing of connectors and cables	7,730,448	Note 1 (2)	3,484,800	1,452,000	-	4,936,800	100	483,787	9,637,541	-	Note 2
CJ Electric System Co., Ltd.	Manufacturing and marketing of automobile	63,888	Note 1 (2)	-	-	-	-	50	23,550	158,955	-	Note 2
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals, etc.	6,693,720	Note 1 (2)	2,087,818	-	-	2,087,818	100	5,487,171	10,905,517	-	Note 2
Jizhun Precision Industry (Huizhou) Co., Ltd.	Manufacturing and marketing of computer cases, router, notebook, etc.	958,320	Note 1 (2)	-	-	-	-	100	( 698,092)	326,414	-	Note 2
Fukui Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of electronics devices and cable	5,839,276	Note 1 (2)	-	-	-	-	41.36	1,336,956	4,947,454	-	Note 2
Futaijing Precision Electronics (Beijing) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	2,178,000	Note 1 (2)	-	-	-	-	69.49	( 33,366)	1,436,304	-	Note 2
Foxconn Precision Electronics (Langfang) Co., Ltd.	Manufacturing and marketing of cell phone and components	8,581,320	Note 1 (2)	-	-	-	-	69.49	( 1,843,381)	10,585,987	-	Note 2
Foxconn Good Field Precision Industry (Dalian) Co., Ltd.	Manufacturing and marketing of electronics calculator and components	67,373	Note 1 (2)	-	-	-	-	40	( 2,845)	35,476	-	Note 2
Fuyu Energy Electronically Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals	580,800	Note 1 (2)	-	-	-	-	100	( 26,026)	943,361	-	Note 2
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Manufacturing and marketing of computer and digital camera components	8,502,912	Note 1 (2)	4,149,816	1,452,000	-	5,601,816	100	1,343,531	11,960,214	-	Note 2
Amworld Microsystems (Shanghai) Ltd.	Manufacturing and marketing of switch supply and modem	493,680	Note 1 (2)	-	-	-	-	100	11,757	630,235	-	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership	Investment income	Book value of investment as of Dec. 31, 2012	Profit remitted to	Note
				amount remitted from Taiwan	Jan. 1 ~Dec. 31, 2012	amount remitted from Taiwan as of Dec. 31, 2012	percentage held by the Company (Direct/indirect)	(loss) recognized during Jan. 1~ Dec. 31, 2012	Taiwan during Jan. 1~ Dec. 31, 2012			
Hongqunsheng Precision Electronics (Yingkou) Co., Ltd.	Manufacturing and marketing of printed circuit board	\$ 1,928,231	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	41.36	(\$ 93,157)	\$ 388,308	\$ -	Note 2
Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd.	Manufacturing and marketing of electronics calculator and component	5,300,528	Note 1 (2)	-	-	-	-	41.36	258,049	2,543,516	-	Note 2
Hongfujin Precision Electrons (Yantai) Co., Ltd.	Manufacturing and marketing of computer components, computer	2,056,032	Note 1 (2)	-	-	-	-	100	4,135,620	33,339,308	-	Note 2
Foxconn (Nanjing) Communications Co., Ltd.	Manufacturing and marketing of handset and components	508,200	Note 1 (2)	-	-	-	-	69.49	68,417	268,592	-	Note 2
Foxconn (Nanjing) Software Co., Ltd.	Computer software, hardware and other digital product	929,280	Note 1 (2)	-	-	-	-	100	( 32,159)	675,937	-	Note 2
Honghuasheng Precision Electronics (YanTai) Co., Ltd.	Print circuit board products manufacturing and sales	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 4
Fulin Electronical Technology (Changshu) Co., Ltd.	Manufacturing and marketing of computer components, computer	1,582,680	Note 1 (2)	-	-	-	-	100	48,609	1,499,616	-	Note 5
Fuyang Electronical Technology (Changshu) Co., Ltd.	Manufacturing and marketing of computer components, computer	1,469,424	Note 1 (2)	-	-	-	-	100	18,271	1,605,156	-	Note 5
Fu Tai Kang Electronics Development (YanTai) Ltd.	Marketing of computer chassis and metal stamping parts	871,200	Note 1 (2)	-	-	-	-	100	21,666	1,138,544	-	Note 2
Foxconn (Shenyang) precision Industry Co., Ltd.	Numeric control machine tool manufacturing	1,449,096	Note 1 (2)	-	-	-	-	69.23	( 33,694)	1,192,644	-	Note 2
Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd.	Print circuit board product manufacturing and sales	4,318,282	Note 1 (2)	-	-	-	-	41.36	( 155,656)	1,651,119	-	Note 2



Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Jan. 1 ~Dec. 31, 2012	amount remitted from Taiwan as of Dec. 31, 2012	Remittance out					
Alibaba (China) Technology Co., Ltd.	Providing software and technology services	\$ -	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	Note 6
Alibaba (China) Software Co., Ltd.	Providing software and technology services	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 6
Alibaba (Shanghai) Technology Co., Ltd.	Providing software and technology services	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 6
Beijing Sinya Online Information Technology Co., Ltd.	Providing software and technology services	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 6
Hongfuqiang Precision Electronics (Yingkou) Co., Ltd.	Manufacturing and marketing of computer components, computer	72,600	Note 1 (2)	-	-	-	-	100	-	79,944	-	Note 2
Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Manufacturing and marketing of computer components, computer	6,127,440	Note 1 (2)	3,920,400	2,207,040	-	6,127,440	100	2,578,949	10,040,840	-	Note 2
Fuhuaajie Industrial (Shenzhen) Limited	Manufacturing and marketing of computer components, computer	3,339,600	Note 1 (2)	3,339,600	-	-	3,339,600	100	( 2,385,074)	800,799	-	Note 2
GDS Software (Shenzhen) Co., Ltd.	Computer software, hardware and other digital product	290,400	Note 1 (2)	-	290,400	-	290,400	76.92	5,630	270,662	-	Note 2
Futaihua Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer components, computer	10,744,800	Note 1 (2)	9,292,800	1,452,000	-	10,744,800	100	23,259,305	72,427,816	-	Note 2
Dong Guan Eson Precision Tooling Co., Ltd.	Manufacturing and marketing of telecommunication cases	215,186	Note 1 (2)	-	-	-	-	28.81	6,425	89,767	-	Note 2
Kunshan Eson Precision Engineering Co., Ltd.	Manufacturing and marketing of electronic components	871,490	Note 1 (2)	-	-	-	-	28.81	26,368	506,948	-	Note 2
Wuxi XinGuan Metal Science & Technology Co., Ltd.	Manufacturing and marketing of plastic mould	406,560	Note 1 (2)	-	-	-	-	28.81	456	87,307	-	Note 2
Kunshan Eson Technology Inc.	Manufacturing and marketing of computer components, computer	290,400	Note 1 (2)	-	-	-	-	9.51	790	29,281	-	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Jan. 1 ~Dec. 31, 2012	amount remitted from Taiwan as of Dec. 31, 2012	Remittance out					
Yantai Jiray Electronic Technology Co., Ltd.	Manufacturing and marketing of monitoring device	\$ 149,846	Note 1 (2)	\$ -	\$ -	\$ -	\$ -	18.73	(\$ 5,002)	\$ 52,686	\$ -	Note 2
Yantai Zheng Yi Precision Electronic Co., Ltd.	Manufacturing and marketing of monitoring device	63,888	Note 1 (2)	-	-	-	-	28.81	( 3,503)	10,443	-	Note 2
Guangzhou OED Technologies Co., Ltd.	Manufacturing and marketing of mould and tooling	209,733	Note 1 (2)	-	-	-	-	5.76	( 2,969)	11,314	-	Note 2
MediaMarkt (Shanghai) Commercial & Trading Company Limited	E-book key material and components manufacturing and sales	5,808,000	Note 1 (2)	-	-	-	-	25	( 1,344,427)	-	-	Note 2
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of computer chassis and metal stamping parts	5,536,476	Note 1 (2)	5,536,476	-	-	5,536,476	100	( 752,311)	3,756,991	-	Note 2
System Integration Electronics (Hangzhou) Co., Ltd.	Manufacturing and marketing of electronic components, network communication equipment, high-end routers and high-end switches	798,600	Note 1 (2)	837,795	-	-	837,795	100	137,422	1,291,116	-	Note 2
Champ Tech Optical (Foshan) Corporation	Manufacturing and marketing of unassembled Optical components	1,355,297	Note 1 (2)	1,358,503	194,859	-	1,553,362	100	151,017	2,009,231	-	Note 2
Innovation (Beijing) Software Development Co., Ltd	Design and publish of computer software	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 7
MediaMarkt (Shanghai) Consulting Service Co., Ltd.	Management Consulting Services	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 8
Spreadcomm Technology Corp.	Developing of computer and communications software, and technical services	220,704	Note 1 (2)	-	-	-	-	69.49	( 54,374)	38,502	-	Note 2
Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone	2,904,000	Note 1 (2)	987,360	-	-	987,360	100	3,129,506	6,188,303	-	Note 2

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Remittance Jan. 1 ~Dec. 31, 2012	Remittance	amount remitted from Taiwan as of Dec. 31, 2012					
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Manufacturing and marketing of server	\$ 1,974,720	Note 1 (2)	\$ 1,974,720	\$ -	\$ -	\$ 1,974,720	100	(\$ 1,279,420)	\$ 417,229	\$ -	Note 2
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone and components	14,520,000	Note 1 (2)	2,904,000	2,904,000	-	5,808,000	100	11,453,330	28,477,994	-	Note 2
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of tablet PC	10,164,000	Note 1 (2)	2,904,000	2,904,000	-	5,808,000	100	5,376,985	19,743,016	-	Note 2
Fuding Precision Industrial (Zhengzhou) Co., Ltd.	Manufacturing and marketing of new electronic components	1,161,600	Note 1 (2)	290,400	-	-	290,400	100	( 159,187)	353,614	-	Note 2
YanTai FuHuaDa Precision Electronics Co., Ltd.	Manufacturing and marketing of new electronic components	290,400	Note 1 (2)	290,400	-	-	290,400	100	45,987	531,019	-	Note 2
Fujun Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of switches and routers	435,600	Note 1 (2)	435,600	-	-	435,600	100	( 116,095)	325,811	-	Note 2
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of compression molding plastic injection mold and metal	1,335,840	Note 1 (2)	348,480	987,360	-	1,335,840	100	354,390	1,644,377	-	Note 2
Anpinda Precision Industrial (Huizhou) Co., Ltd.	Manufacturing and marketing of computer components, computer	1,452,000	Note 1 (2)	1,161,600	-	-	1,161,600	100	1,123	1,302,391	-	Note 2
NanNing FuGui Precision Industrial Co., Ltd	Manufacturing and marketing of network communication equipment	1,452,000	Note 1 (2)	1,234,200	-	-	1,234,200	100	399,269	1,639,976	-	Note 2
NanNing Fu Tai Hong Precision Industry Co., Ltd	Manufacturing and marketing of cell phone	1,452,000	Note 1 (2)	-	-	-	-	69.49	12,045	995,301	-	Note 2
WWW (Jincheng) Co., Ltd.	Manufacturing and marketing of lens module	754,603	Note 1 (2)	464,640	-	-	464,640	76.85	( 13,650)	704,721	-	Note 2
UER Technology (Shenzhen) Corporation	Manufacturing and marketing of lithium Battery	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 9

Name of investee in Mainland China	Main activities of investee	Capital	Method of investment as of Jan. 1, 2012	Balance of	Transactions during		Balance of	Ownership percentage held by the Company (Direct/indirect)	Investment income (loss) recognized during Jan. 1~ Dec. 31, 2012	Book value of investment as of Dec. 31, 2012	Profit remitted to Taiwan during Jan. 1~ Dec. 31, 2012	Note
				amount remitted from Taiwan	Remittance	Remittance	amount remitted from Taiwan as of Dec. 31, 2012					
Tianjin Funayuanhuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	\$ 784,080	Note 1 (2)	\$ -	\$ 493,680	\$ -	\$ 493,680	62.96	(\$ 38,747)	\$ 416,210	\$ -	Note 2
Fu Yu Energy Technology (Funing) Co., Ltd.	Engaged in the production and marketing of operating solar energy battery business.	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 10
Futaihua Precision Electronics (Jiyuan) Limited	Engaged of wireless handsets of wired telephones, cellular networks or other wireless IP telephone	2,904,000	Note 1 (2)	-	726,000	-	726,000	100	1,706,125	4,640,323	-	Note 2
Hongfujin Precision Industry (Loyang) Co., Ltd.	Engaged in the operation of automated equipment, multipurpose industrial robots, the equipment enclosure sheet metal production and marketing business	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 11
Futaijing Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of handset component product	580,800	Note 1 (2)	-	-	-	-	69.49	5,873	415,879	-	Note 2
Foxconn (Tianjin) Technology Co., Ltd.	A set of parts of the GSM digital handheld wireless phones, GSM, CDMA and other CDMA handheld wireless telephones	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 12
Zhong Zhun Precision Industries (Luoyang) Co., Ltd.	Reducer · Other transmission shafts and cranks	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 13
Hongfutai Precision Industry (Hen Yang) Co., Ltd.	Work holders	1,103,520	Note 1 (3)	-	1,103,520	-	1,103,520	100	( 1,491)	1,112,707	-	Note 2
Innocom Technology (Chongqing) Co., Ltd.	LCD related products, modules, components and systems manufacture	87,120	Note 1 (2)	-	115,404	-	115,404	100	-	190,277	-	Note 2
Funeng Energy Technology Service (Nanyang) Co., Ltd.	Electromechanical telecommunications and circuit equipment installation.	-	Note 1 (2)	-	-	-	-	-	-	-	-	Note 14

Name of Company	Accumulated amount wired out from Taiwan to mainland China as of December 31, 2012	Investment amount approved by FIC of MOEA	Ceiling of investment amount of the Company
Hon Hai Precision Industry Co., Ltd.	\$ 73,505,945	\$ 174,016,782	\$ -

Note 1: The methods of remittance of investments to mainland China are as follows:

- (1) Company funds are remitted from Taiwan through an investee company located outside of Taiwan and mainland China.
- (2) Investee company established by the Company and located outside of Taiwan and mainland China remits its own funds directly to the investee companies located in mainland China.
- (3) Investee company located outside of Taiwan and mainland China remits its own funds directly to the investee companies located in mainland China.
- (4) Directly investing in companies in mainland China.
- (5) Others.

Note 2: Investment income or losses recognized during 2012 were based on the investee's audited financial statements.

Note 3: The shares of Liuzhou Antec Fangshen Electric System Co., Ltd. have been sold out on February, 2012. As of December 31, 2012, the funds have not been remitted back.

Note 4: During the year ended December 31, 2012, the shares of Honghuasheng Precision Electronic (Yantai) Co., Ltd. had been transferred to Pan International Industrial Co., Ltd.

Note 5: The Company was approved by Investment Commission, MOEA of the merger of Fulin Electronical Technology (Changshu) Co., Ltd. and Fuyang Electronical Technology (Changshu) Co., Ltd. which is surviving entity. As of December 31, 2012, the merger has not been completed.

Note 6: The Company held indirectly ownership of the Mainland China subsidiaries of 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 on June, 2012.

Note 7: The Company held indirectly 6.75% ownership of the Innovation Work Limited, and the investment amount of the Company approved by the Investment Commission of the Ministry of Economic Affairs was US\$2,600,000.

Note 8: The Company was approved by Investment Commission, MOEA of an investment of US\$ 8,750,000 in MediaMarkt (Shanghai) Consulting Service Co., Ltd.. As of December 31, 2012, the funds have not been remitted.

Note 9: The Company was approved by Investment Commission, MOEA of an investment in UER Technology (Chengdu) Corporation, which has been rescinded on February 13, 2012.

The Company was approved by Investment Commission, MOEA of an investment of US\$ 18,000,000 in UER Technology (Shenzhen) Corporation, which has not yet been established as of December 31, 2012.

Note 10: The Company was approved by Investment Commission, MOEA of an investment of US\$ 30,000,000 in FuYu Energy Technology (Funing) Co., Ltd., which has not yet been established as of December 31, 2012.

Note 11: The Company was approved by Investment Commission, MOEA of an investment of US\$ 17,500,000 in Hongfujin Precision Industry (Loyang) Co., Ltd., which has not yet been established as of December 31, 2012.

Note 12: The Company was approved by Investment Commission, MOEA of an investment in Foxconn (Tian Jin) Technology Co., Ltd., which has been rescinded on September 19, 2012.

Note 13: 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, 2012.

Note 14: The Company was approved by Investment Commission, MOEA of an investment of US\$ 35,000,000 in Funeng Energy Technology Service (Nanyang) Co., Ltd.. As of December 31, 2012, the funds have not been remitted.

Note 15: 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 16: 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 April, 2009.

Note 17: The Company was approved by Investment Commission, MOEA of an investment of US\$ 684,000 in Dongfeng Antec (Wuhan) Automobile Electric System Co., Ltd. All of the shares had been transferred to Teamsmart Corporation during 2009.

Note 18: The Company invests in the company via investee companies in Mainland China including Lang Fang Fertile Plan Logistics Co., Ltd., YanTai Futaitong International Logistics Co., Ltd., Shanghai Futaitong International Logistics CO., Ltd., Huaian Fulitong Trading Co., Ltd., Shanghai Foxconn Co., Ltd., Yantaishi Fulitong International Trading Co., Ltd., Shenzhen Fuhongjie Technology Service Co., Ltd., Shenzhen Fertile Plan(Futaitong) international Logistics Co., Ltd., Shanghai KetaiHuajie Investment Co., Ltd., Shan Hai Pengzhan Investment Co., Ltd., Chongqingshi Futaitong Logistics Limited Co., Limited, FuXun Tong Trading(ShenZhen) Co., Ltd., FoShan ShunDe Jishun Precision Industrial Co., Ltd., JiaXing Wanmabenteng Commerce Co., Ltd., HuaiAn Futaitong Logistics Co., Ltd., ChongQing Shendeng Technology Co., Ltd., HongQingXin Precision Electronics (ChongQing) Co., Ltd., ChengDu Futaitong Logistics Co., Ltd., ShenZhen Wanmabenteng Commerce Co., Ltd., ZhengZhou Wanmada Commerce Co., Ltd., ChengDu Wanmada Commerce Co., Ltd., KunShan Junteng Commerce Co., Ltd., Yantaishi Wanmabenteng Commerce Co., Ltd., Wang Hui Trading Co., Ltd. -China Shanghai, Efeihu (Beijing) E-commerce Ltd., Efeihu (Chengdu) E-commerce Ltd., HongZhaoDa Integrated Innovative Service (KunShan) Co., Ltd., Wan Ma Da Trading Co., Ltd., -China GuangXi, Efeihu (Wuhan) E-commerce Ltd., Wan Ma Ben Teng Trading Co., Ltd. -China TianJin, ZhengZhou XunFeng Trading Co., Ltd., ChengDu XunFeng Trading Co., Ltd., Zhengzhou Airport Fertile Plan Logistics Co., Ltd., Wan Ma Ben Teng Trading Co., Ltd. -China HuNan, Wan Ma Ben Teng Trading Co., Ltd. -China Jiangx, Xiang Ma Trade Co., Ltd.- China Chongqing., Tian Zhen Foxconn Photovoltaic Electricity Generation Co., Ltd., Da Tong Foxconn Photovoltaic Electricity Generation Co., Ltd., Yang Gao Foxconn Photovoltaic Electricity Generation Co., Ltd., HenYang FuXiangYun Cuiture Co.,Ltd., ChongQing HongFuZhun Trading Co., Ltd., Foxstar Technology Co., Ltd., Synergy Technology ( ChengDu ) Co., Ltd., Harbing GDS Technology Co., Ltd., and Fu You Wan De Trading 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.

2) Significant transactions with investee in Mainland China:

The Company subcontracted the processing of products to Foxconn (Far East) Limited's subsidiaries located in Mainland China. All intercompany transactions were eliminated when preparing consolidated financial statements.

	Relationship with the company	Transactions		Difference with general transactions		Ending	Note
		Purchases / sales	Amount	Unit price	Terms	Balance	
Best Leap Enterprises Limited	Indirect investee company accounted for under the equity method	Purchases	\$ 760,977,081	Note	Note	(\$ 128,769,081)	
Competition Team Technology Limited-Bahamas	Indirect investee company accounted for under the equity method	Purchases	445,389,241	"	"	( 101,801,174)	
Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and subsidiaries	Purchases	412,203,558	"	"	( 91,657,738)	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Indirect investee company accounted for under the equity method	Purchases	400,306,397	"	"	( 82,100,323)	
Universal Field International Limited	Indirect investee company accounted for under the equity method	Purchases	163,072,275	"	"	( 18,426,473)	
Foxconn CZ S.R.O.	Indirect investee company accounted for under the equity method	Purchases	88,053,588	"	"	( 3,997,441)	
AMB Logistics Ltd.	Indirect investee company accounted for under the equity method	Purchases	23,931,474	"	"	( 741,723)	
NSG Technology	Indirect investee company accounted for under the equity method	Purchases	3,954,048	"	"	-	
Foxconn Global Services Division S.R.O.	Indirect investee company accounted for under the equity method	Purchases	159,886	"	"	( 159,886)	
Foxconn (Far East) Limited and subsidiaries	Wholly-owned subsidiary and subsidiaries	Sales	39,825,230	"	"	36,362,495	

Note: 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 are determined in accordance with mutual agreements.

	2012			2011		
	Processing Cost	Prepayments	Payable	Processing Cost	Prepayments	Payable
Success Rise Enterprises Ltd.	\$ 24,538,973	\$ -	\$ 6,667,214	\$ 21,204,392	\$ -	\$ 2,227,618
Heroic Legend Enterprises Ltd.	18,863,275	-	14,986,541	25,377,089	-	12,465,540
Franklin Management Ltd.	16,503,053	-	14,846,695	8,229,082	-	9,375,977
Foxconn (Far East) Limited and subsidiaries	12,746,052	-	21,732,987	13,329,535	-	6,541,619
Best Leap Enterprises Limited	11,395,252	-	435,798	17,166,854	-	3,498,644
Beyond Maximum Industrial Ltd.	10,944,341	-	1,878,416	8,744,143	-	3,313,136
Carston Ltd.	3,976,588	-	25,330,425	4,368,017	-	28,048,035
	<u>\$ 98,967,534</u>	<u>\$ -</u>	<u>\$ 85,878,076</u>	<u>\$ 98,419,112</u>	<u>\$ -</u>	<u>\$ 65,470,569</u>

## (4) The relationship and significant transactions between the Company and its subsidiaries

For the year ended December 31, 2012

Number (Note a)	Name of company	Name of counterparties	Relationship (Note b)	Description of transactions			The percentage of total consolidated revenue or total consolidated assets (Note d)
				Account	Amount	Transaction terms	
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Sales	\$ 39,825,230	Note c	1
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	1	Purchases	760,977,081	Note c	19
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technology Limited	1	Purchases	445,389,241	Note c	11
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Purchases	400,306,397	Note c	10
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Purchases	412,203,558	Note c	10
0	Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	1	Purchases	163,072,275	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn CZ S. R. O.	1	Purchases	88,053,588	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Accounts receivable	36,362,495	Note c	1
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	1	Accounts payable	( 128,769,081)	Note c	6
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technology Limited	1	Accounts payable	( 101,807,174)	Note c	5
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Accounts payable	( 82,100,323)	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Accounts payable	( 91,657,738)	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Accrued expenses	( 21,732,987)	Note c	1
0	Hon Hai Precision Industry Co., Ltd.	Carston Ltd.	1	Accrued expenses	( 25,330,425)	Note c	1
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Other receivables	64,308,654	Note c	3
0	Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	1	Other receivables	122,051,631	Note c	6
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	1	Other receivables	78,660,801	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Other receivables	69,893,800	Note c	3
0	Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	1	Other receivables	25,448,382	Note c	1
1	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Universal Field International Limited	3	Sales	49,479,435	Note c	1
2	Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Top Step Enterprises Limited	3	Sales	99,499,196	Note c	3
3	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Universal Field International Limited	3	Sales	107,086,065	Note c	3
4	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	3	Sales	782,867,169	Note c	20
4	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	3	Accounts receivable	131,860,729	Note c	6
5	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	3	Sales	121,082,335	Note c	3
5	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	3	Accounts receivable	29,666,431	Note c	1
6	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Competition Team Technologies Limited	3	Sales	528,064,023	Note c	13

Number (Note a)	Name of company	Name of counterparties	Relationship (Note b)	Description of transactions			The percentage of total consolidated revenue or total consolidated assets (Note d)
				Account	Amount	Transaction terms	
6	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Competition Team Technologies Limited	3	Accounts receivable	\$ 126,198,176	Note c	6
7	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	3	Sales	95,486,777	Note c	3
7	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	3	Accounts receivable	26,224,112	Note c	2

For the year ended December 31, 2011

Number (Note a)	Name of company	Name of counterparties	Relationship (Note b)	Description of transactions			The percentage of total consolidated revenue or total consolidated assets (Note d)
				Account	Amount	Transaction terms	
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Sales	\$ 53,634,030	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Purchases	302,063,412	Note c	9
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Accounts receivable	37,322,266	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Other receivables	67,767,858	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	1	Accounts payable	( 92,445,026)	Note c	5
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	1	Purchases	904,829,843	Note c	26
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	1	Accounts payable	( 142,271,576)	Note c	8
0	Hon Hai Precision Industry Co., Ltd.	Carston Ltd.	1	Accrued expenses	( 28,048,035)	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technology Limited	1	Purchases	153,710,732	Note c	4
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technology Limited	1	Accounts payable	( 43,622,684)	Note c	3
0	Hon Hai Precision Industry Co., Ltd.	Foxconn CZ S. R. O.	1	Purchases	101,500,784	Note c	3
0	Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	1	Purchases	166,342,084	Note c	5
0	Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	1	Other receivables	27,388,492	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Universal Field International Limited	1	Accounts payable	( 26,278,390)	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	1	Other receivables	133,859,236	Note c	8
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Purchases	227,068,983	Note c	7
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Other receivables	39,766,610	Note c	2
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	1	Accounts payable	( 45,330,111)	Note c	3
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	1	Other receivables	34,580,826	Note c	2
1	Skilltop Limited	Foxconn Image & Printing Product Pte. Ltd.	3	Sales	41,600,373	Note c	1
2	Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	3	Sales	37,988,785	Note c	1
3	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	3	Sales	934,049,393	Note c	27
3	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	3	Accounts receivable	116,716,083	Note c	7



Number (Note a)	Name of company	Name of counterparties	Relationship (Note b)	Description of transactions			The percentage of total consolidated revenue or total consolidated assets (Note d)
				Account	Amount	Transaction terms	
3	Fuhuajie Industrial (Shenzhen) Limited	Skilltop Limited	3	Sales	\$ 41,797,064	Note c	1
4	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Dragon Spirit Industries Ltd.	3	Sales	35,102,347	Note c	1
4	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Universal Field International Limited	3	Sales	82,182,678	Note c	2
5	Hongfujin Precision Industrial (Wuhan) Co.,Ltd.	Top Step Enterprises Limited	3	Sales	92,793,098	Note c	3
6	Hongfujin Precision Electronics (Chongqing) Co., Ltd	Hightech Electronics Components Inc.	3	Sales	61,976,821	Note c	2
7	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	3	Sales	84,522,212	Note c	2
7	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Universal Field International Limited	3	Accounts receivable	19,733,437	Note c	1
8	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Competition Team Technology Limited	3	Sales	161,277,425	Note c	5
8	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Competition Team Technology Limited	3	Accounts receivable	44,021,902	Note c	3

Note a: 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 b: 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 c: 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 d: 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 e: 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 statement.

## 12. OPERATING SEGMENTS INFORMATION

1) 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 R.O.C. SFAS No. 41, "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.

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 that recognition of internal costs shall be in accordance with the Group's related internal calculation basis, the operating segments' accounting policies are the same as disclosed in Note 2.

### 2) Financial information of reportable segment

The financial information of reportable segment provided to chief operating decision maker is as follows:

	<u>2011</u>	<u>2012</u>
Net external revenue	\$ 3,147,460,520	\$ 3,880,825,993
Revenue from internal customers	<u>279,268,751</u>	<u>526,688,317</u>
Segment revenue	<u>\$ 3,426,729,271</u>	<u>\$ 4,407,514,310</u>
Segment income	<u>\$ 96,229,483</u>	<u>\$ 122,477,734</u>
Segment assets (Note)	<u>\$ -</u>	<u>\$ -</u>

Note: The chief operating decision maker does not use the measured amount of the assets as a measurement indicator; therefore, the measured amount of the Group's assets shall be disclosed as \$0.

### 3) Reconciliation information of segment income, assets, and liabilities

The reconciliations of a pre-tax income between reportable segments and continuing operations were as follows:

<u>Operating revenue</u>	<u>2011</u>	<u>2012</u>
Total reported segment revenue	\$ 3,426,729,271	\$ 4,407,514,310
Other operating segment revenue	62,760,660	55,771,358
Elimination of intersegment revenue	( <u>36,808,658</u> )	( <u>557,890,346</u> )
Total corporate revenue	<u>\$ 3,452,681,273</u>	<u>\$ 3,905,395,322</u>

<u>Profit and loss</u>	<u>2011</u>	<u>2012</u>
Income of reported segment	\$ 96,229,483	\$ 122,477,734
Income of other operating segments	( 1,700,469)	( 11,589,301)
Elimination of intersegment transactions and internal costs and allocated expenses adjustments	<u>8,007,186</u>	<u>7,490,658</u>
Income before income tax	<u>\$ 102,536,200</u>	<u>\$ 118,379,091</u>

#### 4) Revenue information by product

Revenues from external customers are mainly derived from assembling of 3C products. The breakdown of retail and wholesale results are shown in Note 12.

#### 5) Revenue information by geographic area

	<u>2011</u>		<u>2012</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
United States of America	\$ 987,885,444	\$ 2,408,224	\$1,140,906,312	\$ 1,751,004
Ireland	763,130,682	52	1,096,315,965	173,191
China	439,784,193	283,402,318	340,938,734	342,166,834
Singapore	388,658,671	271,999	334,362,334	151,407
Japan	247,835,759	27,689	217,845,375	22,082
Taiwan	108,466,630	36,351,485	111,468,690	30,944,534
Others	<u>516,919,894</u>	<u>75,059,340</u>	<u>663,557,912</u>	<u>62,804,923</u>
	<u>\$3,452,681,273</u>	<u>\$ 397,521,107</u>	<u>\$3,905,395,322</u>	<u>\$ 438,013,975</u>

Revenue by geographic area of the Group is based on the location of customers. Non-current assets include fixed assets, intangible assets, and other assets.

#### 6) Information on major customers

Sales to a single customer which represent over 10% of net operating revenues were (in millions):

<u>Customers</u>	<u>2011</u>	<u>2012</u>
Customer E	\$ 1,350,423	\$ 1,865,774
Customer C	459,723	459,975

### 13. DISCLOSURES RELATING TO THE ADOPTION OF IFRSs

Pursuant to the regulations of the Financial Supervisory Commission, Executive Yuan, R.O.C., effective January 1, 2013, a public company whose stock is listed on the Taiwan Stock Exchange Corporation or traded in the GreTai Securities Market should prepare financial statements in accordance with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), and relevant interpretations and interpretative bulletins that are ratified by the Financial Supervisory Commission.

The Company discloses the following information in advance prior to the adoption of IFRSs under the requirements of Jin-Guan-Zheng-Shen-Zi Order No. 0990004943 of the Financial Supervisory

Commission, dated February 2, 2010:

A. Major contents and status of execution of the Company's plan for IFRSs adoption:

The Company has formed an IFRSs group, which is responsible for setting up a plan relative to the Company's transition to IFRSs. The major contents and status of execution of this plan are outlined below:

Working Items for IFRSs Adoption	Status of Execution
a. Formation of an IFRSs group	Completed
b. Setting up a plan relative to the Company's transition to IFRSs	Completed
c. Identification of the differences between current accounting policies and IFRSs	Completed
d. Identification of consolidated entities under the IFRSs framework	Completed
e. Evaluation of the impact of each exemption and option on the Company under IFRS 1 – First-time Adoption of International Financial Reporting Standards	Completed
f. Evaluation of needed information system adjustments	Completed
g. Evaluation of needed internal control adjustments	Completed
h. Establish IFRSs accounting policies	Completed
i. Selection of exemptions and options available under IFRS 1 - First-time Adoption of International Financial Reporting Standards	Completed
j. Preparation of statement of financial position on the date of transition to IFRSs	Completed
k. Preparation of IFRSs comparative financial information for 2012	In process
l. Completion of relevant internal control (including financial reporting process and relevant information system) adjustments	Completed

B. Material differences that may arise between current accounting policies used in the preparation of financial statements and IFRSs and “Rules Governing the Preparation of Financial Statements by Securities Issuers” that will be used in the preparation of financial statements in the future:

The Company uses the IFRSs already ratified currently by the Financial Supervisory Commission and the “Rules Governing the Preparation of Financial Statements by Securities Issuers” that will be applied in 2013 as the basis for evaluation of material differences in accounting policies as mentioned above. However, the Company's current evaluation results

may be different from the actual differences that may arise when new issuances of or amendments to IFRSs are subsequently ratified by the Financial Supervisory Commission or relevant interpretations or amendments to the “Rules Governing the Preparation of Financial Statements by Securities Issuers” come in the future.

The Company has identified material differences that may arise between current accounting policies used in the preparation of financial statements and IFRSs and “Rules Governing the Preparation of Financial Statements by Securities Issuers” that will be used in the preparation of financial statements in the future, and the effects of exemptions selected by the Company under IFRS 1, “First-time Adoption of International Financial Reporting Standards” (refer to Note 13(3)) are set forth below:

1. Reconciliation of significant differences as of January 1, 2012

	<u>GAAP (R.O.C.)</u>	<u>Adjustment</u>	<u>IFRSs</u>	<u>Description</u>
Available-for-sale financial assets - non-current	\$ 4,790,319	\$ 4,575,192	\$ 9,365,511	(1)(2)
Financial assets carried at cost - non-current	4,046,796	( 28,740)	4,018,056	(2)
Equity investments under the equity method	40,259,657	( 2,467,599)	37,792,058	(1)
Property, Plant and Equipment	355,373,481	12,792,611	368,166,092	(3)(8)
Other assets - other Investment property	26,350,582	874,893	27,225,475	(3)(4)
Deferred charges	-	1,434,274	1,434,274	(4)
Deferred income tax assets - current	15,101,778	( 15,101,778)	-	(8)
Deferred income tax assets – non-current	8,016,419	( 8,016,419)	-	(12)
Others	-	10,560,705	10,560,705	(6)(7)(12)
	<u>1,276,372,393</u>	<u>-</u>	<u>1,276,372,393</u>	
Total Assets	<u>\$ 1,730,311,425</u>	<u>\$ 4,623,139</u>	<u>\$ 1,734,934,564</u>	

	<u>GAAP (R.O.C.)</u>	<u>Adjustment</u>	<u>IFRSs</u>	<u>Description</u>
Financial liabilities at fair value through profit or loss – non-current	\$ -	\$ 470,158	\$ 470,158	(5)
Accrued expenses	87,322,885	1,809,910	89,132,795	(6)
Reserve for retirement plan	1,064,300	453,411	1,517,711	(7)
Deferred income tax liabilities - non-current	1,793,747	2,133,854	3,927,601	(12)
Others	<u>1,025,111,009</u>	<u>-</u>	<u>1,025,111,009</u>	
Total Liabilities	<u>1,115,291,941</u>	<u>4,867,333</u>	<u>1,120,159,274</u>	
Capital reserve from long-term investments	15,452,488	( 15,452,488)	-	(1)(9)
Capital reserve from conversion right	2,034,440	( 2,034,440)	-	(5)
Cumulative translation adjustments	21,141,456	( 94,099)	21,047,357	(1)(6)
Unrealized gain or loss on financial instruments	1,802,723	2,645,108	4,447,831	(1)(2)
Undistributed earnings	325,500,402	14,691,725	340,192,127	(1)(5) (6)(7)(9)
Others	<u>249,087,975</u>	<u>-</u>	<u>249,087,975</u>	
Total Stockholders' Equity	<u>615,019,484</u>	( <u>244,194</u> )	<u>614,775,290</u>	
Total Liabilities and Stockholders' Equity	<u>\$1,730,311,425</u>	<u>\$ 4,623,139</u>	<u>\$ 1,734,934,564</u>	

2. Reconciliation of significant differences as of December 31, 2012

	<u>GAAP (R.O.C.)</u>	<u>Adjustment</u>	<u>IFRSs</u>	<u>Description</u>
Available-for-sale financial assets - non-current	\$ 8,302,853	\$ 4,195,864	\$ 12,498,717	(1)(2)
Financial assets carried at cost - non-current	8,620,722	( 28,740)	8,591,982	(2)
Equity investments under the equity method	44,492,047	( 2,533,104)	41,958,943	(1)
Property, Plant and Equipment	390,298,219	14,856,857	405,155,076	(3)(8)
Other assets - other Investment property	23,596,212	3,953,366	27,549,578	(3)(4)
	-	1,354,852	1,354,852	(4)
Deferred charges	20,165,075	( 20,165,075)	-	(8)
Deferred income tax assets - current	6,751,334	( 6,751,334)	-	(12)
Deferred income tax assets – non-current	-	10,951,902	10,951,902	(6)(7)(12)
Others	<u>1,542,177,055</u>	<u>-</u>	<u>1,542,177,055</u>	
Total Assets	<u>\$2,044,403,517</u>	<u>\$ 5,834,588</u>	<u>\$ 2,050,238,105</u>	

	<u>GAAP (R.O.C.)</u>	<u>Adjustment</u>	<u>IFRSs</u>	<u>Description</u>
Financial liabilities at fair value through profit or loss – non-current	\$ -	\$ 15,288	\$ 15,288	(5)
Accrued expenses	137,224,165	2,328,293	139,552,458	(6)
Reserve for retirement plan	1,103,395	628,051	1,731,446	(7)
Deferred income tax liabilities - non-current	468,606	3,680,359	4,148,965	(12)
Others	<u>1,223,876,198</u>	<u>-</u>	<u>1,223,876,198</u>	
Total Liabilities	<u>1,362,672,364</u>	<u>6,651,991</u>	<u>1,369,324,355</u>	
Capital reserve from long-term investments	16,928,977	( 16,294,126)	634,851	(1)(9)
Capital reserve from conversion right	2,034,440	( 2,034,440)	-	(5)
Cumulative translation adjustments	1,395,612	( 25,101)	1,370,511	(1)(6)
Unrealized gain or loss on financial instruments	4,169,293	2,265,753	6,435,046	(1)(2)
Undistributed earnings	385,380,938	14,410,421	399,791,359	(1)(5) (6)(7)(9)
Minority Interest	35,198,966	860,090	36,059,056	(9)
Others	<u>236,622,927</u>	<u>-</u>	<u>236,622,927</u>	
Total Stockholders' Equity	<u>681,731,153</u>	<u>( 817,403)</u>	<u>680,913,750</u>	
Total Liabilities and Stockholders' Equity	<u>\$2,044,403,517</u>	<u>\$ 5,834,588</u>	<u>\$ 2,050,238,105</u>	



### 3. Reconciliation of significant differences for the year ended December 31, 2012

	<u>GAAP (R.O.C.)</u>	<u>Adjustment</u>	<u>IFRSs</u>	<u>Description</u>
Operating revenue	\$ 3,905,395,322	\$ -	\$ 3,905,395,322	
				(6)(7)
Operating cost	( 3,575,766,285)	( 79,379,769)	( 3,655,146,054)	(10)(11)
Gross profit	329,629,037	( 79,379,769)	250,249,268	
Operating expenses	( 221,178,556)	78,827,558	( 142,350,998)	(6)(7) (10)(11)
Operating income	108,450,481	( 552,211)	107,898,270	
Non-operating income and gains	23,932,586	345,205	24,277,791	(1)(5)
Non-operating expenses and losses	( 14,003,976)	-	( 14,003,976)	
Income before income tax	118,379,091	( 207,006)	118,172,085	
Income tax expense	( 26,591,950)	86,601	( 26,505,349)	(6)(7)
Consolidated net income	<u>\$ 91,787,141</u>	<u>(\$ 120,405)</u>	<u>\$ 91,666,736</u>	
Attributable to:				
Equity holders of the Company	\$ 94,762,377	(\$ 120,405)	\$ 94,641,972	
Minority interest	( 2,975,236)	-	( 2,975,236)	
	<u>\$ 91,787,141</u>	<u>(\$ 120,405)</u>	<u>\$ 91,666,736</u>	

Description of the reconciliation of significant differences:

Item	Explanation	Account	Increase (Decrease)	
			at transition date	December 31, 2012
(1)	<u>Investments in associates / Equity investments under the equity method</u>			
	In accordance with current accounting standards in R.O.C., if an investor company holds less than 20% of the investee company's voting shares without losing significant influence over an investee company, the investments should be accounted for under equity method. In accordance with IAS 28, "Investments in Associates", when an investment ceases to be an associate, the investment should be reclassified as "Available-for-sale financial assets" and measured at its fair value at the date when it ceases to be an associate.	Available-for-sale financial assets - non-current	\$ 4,530,477	\$ 4,153,041
		Unrealized gain or loss on financial instruments	2,629,133	2,251,670
		Undistributed earnings	( 535,814)	( 535,814)
		Gain on equity investments under the equity method	-	( 254,621)
		Capital reserve from long-term investments	( 8,172)	10,280
		Cumulative translation adjustments	( 22,269)	3,466
		Equity investments under the equity method	( 2,467,599)	( 2,533,104)
		Dividend income	-	144,956

Item	Explanation	Account	Increase (Decrease)	
			at transition date	December 31, 2012
(2)	<u>Financial assets: equity instruments</u>			
	In accordance with the pre-amended “Rules Governing the Preparation of Financial Statements by Securities Issuers”, before July 7, 2011, unlisted stocks and emerging stocks held by the Company should be measured at cost and recognized in “Financial assets carried at cost”. However, in accordance with IAS 39, “Financial Instruments: Recognition and Measurement”, investments in equity instruments without an active market but with reliable fair value measurement (i.e. the variability of the estimation interval of reasonable fair values of such equity instruments is insignificant, or the probability for these estimates can be made reliably) should be measured at fair value.	Available-for-sale financial assets - non-current	\$ 44,715	\$ 42,823
		Unrealized gain or loss on financial instruments	15,975	14,083
		Financial assets carried at cost - non-current	( 28,740)	( 28,740)
(3)	<u>Prepayments for equipment</u>			
	In accordance with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”, prepayments for the acquisition of property, plant and equipment are classified as “Property, plant and equipment”. However, under IFRSs, it should be classified as “Other assets – non-current”.	Other assets – non-current	2,309,167	5,308,218
		Prepayments for equipment	( 2,309,167)	( 5,308,218)
(4)	<u>Property, plant and equipment</u>			
	In accordance with current accounting standards in R.O.C., the Company’s property that is leased to others is presented in ‘Other assets’ account. In accordance with IAS 40, “Investment Property”, property that meets the definition of investment property is classified and accounted for as ‘Investment property’.	Investment property	1,434,274	1,354,852
		Other assets– non-current	( 1,434,274)	( 1,354,852)

Item	Explanation	Account	Increase (Decrease)	
			at transition date	December 31, 2012
(5)	<u>Financial instruments: presentation</u>			
	In accordance with current accounting standards in R.O.C., the conversion price of convertible bonds overseas should be converted to an agreed conversion price in New Taiwan dollars with a fixed exchange rate applicable on conversion of bonds. The conversion rights which are converted to a fixed amount of common shares should be classified as equity instruments. However, in accordance with IAS 32, "Financial Instruments: Presentation", the conversion rights which do not meet the criteria of equity instruments should be classified as financial liabilities.	Financial liabilities at fair value through profit or loss - non-current	\$ 470,158	\$ 15,288
		Undistributed earnings	1,564,282	1,564,282
		Capital reserve from conversion right	( 2,034,440)	( 2,034,440)
		Gain on valuation financial liabilities	-	454,870
(6)	<u>Employee benefits</u>			
	The current accounting standards in R.O.C. do not specify the rules on the cost recognition for accumulated unused compensated absences. The Company recognizes such costs as expenses upon actual payment. However, IAS 19, "Employee Benefits", requires that the costs of accumulated unused compensated absences should be accrued as expenses at the end of the reporting period.	Accrued expenses	1,809,910	2,328,293
		Undistributed earnings	( 1,404,728)	( 1,404,728)
		Deferred income tax assets - non-current	333,352	413,440
		Cumulative translation adjustments	( 71,830)	( 28,567)
		Operating cost - salaries	-	429,714
		Operating expenses - salaries	-	141,711
		Tax expense	- (	89,867)

<u>Item</u>	<u>Explanation</u>	<u>Account</u>	<u>Increase (Decrease)</u>	
			<u>at transition date</u>	<u>December 31, 2012</u>
(7)	<u>Pensions</u>			
	(i) The discount rate used to calculate pensions shall be determined with reference to the factors specified in R.O.C. SFAS 18, paragraph 23. However, IAS 19, “Employee Benefits”, requires an entity to determine the rate used to discount employee benefits with reference to market yields on high quality corporate bonds that match the currency at the end day of the reporting period and duration of its pension plan; when there is no deep market in corporate bonds, an entity is required to use market yields on government bonds (at the end day of the reporting period) instead.	Reserve for retirement plan	\$ 453,411	\$ 628,051
		Undistributed earnings	( 376,331)	( 376,331)
		Deferred income tax assets - non-current	77,080	106,769
		Operating cost - salaries	- (	2,953)
		Operating expenses - salaries	- (	16,261)
		Tax expense	-	3,266
	(ii) The Company recognized all accumulated actuarial gain or loss associated with the employee benefits plans in ‘Retained earnings’ at the date of transition to IFRSs.	Actuarial loss on defined benefit pension plan	- (	160,899)
	(iii) In accordance with current accounting standards in R.O.C., the unrecognized transitional net benefit obligation should be amortized on a straight-line basis over the average remaining service period of employees still in service and expected to receive benefits. However, as this is the Company’s first-time adoption of IFRSs, the transition provisions of IAS 19, “Employee Benefits”, do not apply to the Company. Accordingly, there is no unrecognized transitional net benefit obligation.			
	(iv) In accordance with current accounting standards in R.O.C., actuarial pension gain or loss of the Group is recognised in net pension cost of current period using the ‘corridor’ method. However, in accordance with IAS 19, ‘Employee Benefits’, the Group selects to recognise immediately actuarial pension gain or loss in other comprehensive income.			

<u>Item</u>	<u>Explanation</u>	<u>Account</u>	<u>Increase (Decrease)</u>	
			<u>at transition date</u>	<u>December 31, 2012</u>
(8)	<u>Deferred charges</u>	Property, plant and equipment	\$ 15,101,778	\$ 20,165,075
	In accordance with current accounting standards in R.O.C., cost of tools is recognized in “Deferred Charges”. However, under IFRSs, it should be recognized in “Property, plant and equipment”.	Deferred charges	( 15,101,778)	( 20,165,075)
(9)	<u>Capital reserve</u>			
	A. The Company has elected not to apply the requirements in IFRS 3, ‘Business Combinations’, retrospectively to business combinations and investments in associates that occurred prior to the date of transition to IFRSs, and has adjusted the retained earnings on the date of transition to IFRSs for the capital surplus under ROC GAAP that did not meet the regulations of IFRSs.	Undistributed earnings	15,444,316	15,444,316
		Capital reserve from long-term investments	( 15,444,316)	( 15,444,316)
	B. In addition, when a subsidiary issues new shares and parent company does not purchase or acquire new shares proportionately that results in a change of parent company’s ownership percentage and a change of the equity in net assets for the investment that parent company has invested, but that does not result in a loss of control over the subsidiary, in accordance with current accounting standards in ROC, such differences shall be used to adjust the ‘capital surplus—long-term equity investments’ and ‘long-term equity investments’. However, in accordance with IAS 27, ‘Consolidated and Separate Financial Statements’, a change in parent company’s ownership interest in a subsidiary that does not result in a loss of control over the subsidiary should be accounted for as transactions with non-controlling interests, and adjustments to the carrying amounts of controlling interests and non-controlling interests should be made to reflect the change in parent company’s relative ownership interest in the subsidiary. 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 ‘capital surplus—the difference between the consideration paid or received for acquisition or disposal of the ownership interest in a subsidiary and the carrying amount.	Capital reserve from difference between the price for acquisition or disposal of subsidiaries and carrying amount	- (	860,090)
		Minority interest	-	860,090

<u>Item</u>	<u>Explanation</u>	<u>Account</u>	<u>Increase (Decrease)</u>	
			<u>at transition day</u>	<u>December 31, 2012</u>
(10)	<u>Product warranty costs</u> Under current accounting standards in ROC, the Company presents product warranty costs in 'selling expenses'. However, under IFRSs, they shall be presented in 'cost of goods sold'.	Operating cost	\$ -	\$ 34,382,737
		Operating expenses	-	( 34,382,737)
(11)	<u>Royalty expenses</u> The Company pays royalties based on the sale volume of the related product as required by the contract. Under current accounting standards in ROC, the royalties are presented in 'selling expenses'. However, under IFRSs, they shall be presented in 'cost of goods sold'.	Operating cost	-	44,570,271
		Operating expenses	-	( 44,570,271)
(12)	<u>Income taxes</u> In accordance with current accounting standards in R.O.C., a deferred tax asset or liability should, according to the classification of its related asset or liability, be classified as current or noncurrent. However, a deferred tax asset or liability that is not related to an asset or liability for financial reporting should be classified as current or noncurrent according to the expected period to realize or settle a deferred tax asset or liability. However, under IAS 1, "Presentation of Financial Statements", an entity should not classify a deferred tax asset or liability as current. In addition, as the Company's deferred tax assets and liabilities do not meet the criteria of offsetting deferred tax assets and liabilities under IAS 12, "Income Taxes", they shall not be offset.	Deferred income tax assets - non-current	10,150,273	10,431,693
		Deferred income tax assets - current	( 8,016,419)	( 6,751,334)
		Deferred income tax liabilities - non-current	2,133,854	3,680,359

C. Exemptions elected in accordance with IFRS 1, “First-time Adoption of International Financial Reporting Standards” and the “Rules Governing the Preparation of Financial Statements by Securities Issuers” that will be applied in 2013 are set forth below:

1. Business combinations

The Company has elected not to apply the requirements in IFRS 3, “Business combinations”, retrospectively to business combinations that occurred prior to transition to IFRSs (Transition Date). This exemption is also applied to investments in associates of the Company.

2. Share-based payment

The Company has elected not to apply the requirements in IFRS 2, “Share-based payment”, retrospectively to the equity instruments and liabilities that have been settled due to share-based payment transactions prior to the Transition Date.

3. Leases

The Company has elected to apply the transitional provisions in IFRIC 4, “Determining Whether an Arrangement Contains a Lease”. Therefore, the Company determines whether an arrangement contains a lease based on the facts and circumstances on the Transition Date.

4. Employee benefits

The Company has elected to recognize all accumulated actuarial gain or loss associated with the employee benefits plans in ‘Retained earnings’ at the date of transition to IFRSs, and to disclose the present value of defined benefit obligation, fair value of plan assets, gain or loss on plan assets and experience adjustments in accordance with paragraph 120A (P), IAS 19, “Employee Benefits”, based on their prospective amounts of financial periods from the date of transition to IFRSs.

5. Compound financial instruments

The Company has elected not to segregate between liability components and equity components of compound financial instruments whose liability components were not outstanding at the Transition Date.

6. Designation of previously recognized financial instruments

The Company reclassified part of financial assets carried at cost to available-for-sale financial assets on the Transition Date.

7. Decommissioning liabilities in property, plant and equipment

The Company measured decommissioning liabilities in property, plant and equipment in accordance with IAS 37, “Provisions, Contingent Liabilities and Contingent Assets” on the Transition Date.

8. Borrowing costs

The Company has elected to apply the transition provisions in paragraphs 27 and 28 in IAS 23, “Borrowing Costs”, amended in 2007, from the Transition Date.

9. Transfers of assets from customers

The Company has elected to apply the transitional provisions in paragraph 22 of IFRIC 18, “Transfers of Assets from Customers” from the Transition Date.

The above exemptions are different from the actual selection at the Transition Date due to the issuance of related regulations by competent authorities, changes in economic environment, and assessment by the Company.