

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT ACCOUNTANTS
MARCH 31, 2012 AND 2011

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.

Review Report of Independent Accountants Translated from Chinese

To the Board of Directors and Stockholders of
WPG Holdings Limited

We have reviewed the accompanying consolidated balance sheets of WPG Holdings Limited and its subsidiaries as of March 31, 2012 and 2011, and the related consolidated statements of income, of changes in stockholders' equity and of cash flows for the three-month periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express a conclusion on these financial statements based on our reviews.

Except as explained in the following paragraph, our reviews were made in accordance with the Generally Accepted Auditing Standards No. 36, "Review of Financial Statements" in the Republic of China. A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards in the Republic of China, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As described in Note 2(1), the financial statements of certain consolidated subsidiaries were not reviewed by independent accountants. These unreviewed financial statements reflect total assets of \$13,416,127 thousand and \$17,142,093 thousand, constituting 11.48% and 16.60% of the consolidated total assets, and total liabilities of \$5,401,454 thousand and \$9,818,621 thousand, constituting 7.06% and 14.49% of the consolidated total liabilities as of March 31, 2012 and 2011, respectively, and net income of \$78,402 thousand and \$148,039 thousand, constituting 8.43% and 11.20% of the consolidated total net income for the three-month periods then ended, respectively. In addition, as explained in Note 4(11), the financial statements of certain investee companies accounted for under the equity method were not reviewed by independent accountants. Long-term investments (Other liabilities) in these investee companies amounted to \$421,933 thousand and \$782,314 thousand (\$3,535 thousand) as of March 31, 2012 and 2011, respectively, with related investment income of \$2,751 thousand and \$16,189 thousand for the three-month periods then ended, respectively. These amounts and the information disclosed in Note 11 related to these investees were based on their respective unreviewed financial statements.

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of these investee companies been reviewed by independent accountants as explained in the preceding paragraph, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above in order for them to be in conformity with the “Rules Governing the Preparation of Financial Statements by Securities Issuers” and generally accepted accounting principles in the Republic of China.

WPG Holdings Limited expects to adopt International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins (collectively referred herein as the “IFRSs”) that are ratified by the Financial Supervisory Commission, Executive Yuan, R.O.C., (FSC) and Rules Governing the Preparation of Financial Statements by Securities Issuers, 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 the Company may also change.

PricewaterhouseCoopers, Taiwan

May 7, 2012

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices utilized 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.

WPG HOLDINGS LIMITED AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS****MARCH 31, 2012 AND 2011**

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

(UNAUDITED BUT REVIEWED)

	March 31,			
	2012		2011	
	Amount	%	Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents (Note 4(1))	\$ 8,124,506	7	\$ 7,419,000	7
Financial assets at fair value through profit or loss - current (Note 4(2))	190,812	-	252,413	-
Available-for-sale financial assets - current (Note 4(3))	17,686	-	24,779	-
Financial assets carried at cost - current	12,871	-	9,647	-
Notes receivable, net (Note 4(4))	1,838,935	2	1,655,012	2
Accounts receivable, net (Note 4(5))	49,415,812	42	42,324,596	41
Accounts receivable - related party, net (Note 5)	129,630	-	44,084	-
Other receivables (Notes 4(5) and 4(18))	3,091,416	3	2,773,239	3
Other financial assets - current (Note 4(6))	2,834,467	3	3,380,383	3
Inventories, net (Note 4(7))	36,547,393	31	33,615,990	33
Deferred income tax assets - current (Note 4(18))	237,600	-	172,127	-
Other current assets (Note 4(8))	2,265,219	2	1,571,030	1
	<u>104,706,347</u>	<u>90</u>	<u>93,242,300</u>	<u>90</u>
Funds and Investments				
Available-for-sale financial assets - non-current (Note 4(9))	196,189	-	202,573	-
Held-to-maturity financial assets - non-current	5,000	-	5,000	-
Financial assets carried at cost - non-current (Note 4(10))	476,912	1	302,950	-
Long-term investments accounted for under the equity method (Note 4(11))	421,933	-	782,314	1
Other financial assets - non-current (Note 4(12))	-	-	33,919	-
	<u>1,100,034</u>	<u>1</u>	<u>1,326,756</u>	<u>1</u>
Property, Plant and Equipment, net (Notes 4(13))				
Cost				
Land	2,700,614	2	1,799,720	2
Buildings	1,649,252	2	1,290,194	1
Machinery and equipment	82,600	-	83,019	-
Transportation equipment	27,802	-	33,384	-
Office equipment	489,613	1	506,569	1
Leasehold improvements	282,630	-	232,681	-
Other equipment	138,673	-	114,415	-
	5,371,184	5	4,059,982	4
Less: Accumulated depreciation	(958,271)	(1)	(938,227)	(1)
Accumulated impairment	(24,363)	-	(54,970)	-
Prepayments for equipment	68,724	-	4,497	-
	<u>4,457,274</u>	<u>4</u>	<u>3,071,282</u>	<u>3</u>
Intangible Assets				
Goodwill (Note 10)	5,720,040	5	5,036,146	5
Deferred pension cost	8,121	-	8,546	-
Other intangible assets	213,244	-	172,783	-
	<u>5,941,405</u>	<u>5</u>	<u>5,217,475</u>	<u>5</u>
Other Assets				
Rental facilities, net (Note 4(14))	107,856	-	117,815	-
Deposit-out	487,910	-	230,771	1
Other assets - others	36,058	-	55,681	-
	<u>631,824</u>	<u>-</u>	<u>404,267</u>	<u>1</u>
TOTAL ASSETS	<u>\$ 116,836,884</u>	<u>100</u>	<u>\$ 103,262,080</u>	<u>100</u>

(continued on next page)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)

MARCH 31, 2012 AND 2011

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED BUT REVIEWED)

	March 31,			
	2012		2011	
	Amount	%	Amount	%
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>				
<u>Current Liabilities</u>				
Short-term loans (Note 4(16))	\$ 27,970,808	24	\$ 22,705,087	22
Commercial papers payable (Note 4(17))	2,873,406	2	1,435,959	1
Financial liabilities at fair value through profit or loss - current (Note 4(2))	325	-	1,004	-
Notes payable	318,733	-	293,355	-
Accounts payable	33,457,456	29	30,966,525	30
Income tax payable (Note 4(18))	755,861	1	1,057,268	1
Accrued expenses	3,547,404	3	3,621,779	4
Other payables	372,015	-	1,416,385	1
Current portion of long-term liabilities (Note 4(19))	1,605,739	1	2,766,490	3
Other current liabilities	742,056	1	926,968	1
	<u>71,643,803</u>	<u>61</u>	<u>65,190,820</u>	<u>63</u>
<u>Long-term Liabilities</u>				
Long-term loans (Note 4(20))	4,317,846	4	1,937,785	2
<u>Other Liabilities</u>				
Accrued pension liabilities (Note 4(21))	296,502	1	266,183	1
Deferred income tax liabilities - non-current (Note 4(18))	189,107	-	236,367	-
Other liabilities - others (Note 4(11))	113,115	-	130,864	-
	<u>598,724</u>	<u>1</u>	<u>633,414</u>	<u>1</u>
<u>Total Liabilities</u>	<u>76,560,373</u>	<u>66</u>	<u>67,762,019</u>	<u>66</u>
<u>Stockholders' Equity</u>				
Capital				
Common stock (Note 1)	16,557,092	14	14,530,735	14
Capital reserve (Note 4(22))				
Common stock share premium	14,886,934	13	15,231,754	15
Treasury stock transactions	45,083	-	45,083	-
Long-term investments	5,933	-	3,266	-
Retained earnings (Note 4(23))				
Legal reserve	1,459,776	1	963,280	1
Special reserve	2,728,889	3	305,983	-
Undistributed earnings	6,190,832	5	6,806,026	7
Other adjustments to stockholders' equity				
Cumulative translation adjustments	(2,361,110)	(2)	(2,504,046)	(3)
Net loss not recognized as pension cost	(2,106)	-	(7,878)	-
Unrealized gain or loss on financial instruments	45,322	-	59,264	-
	<u>39,556,645</u>	<u>34</u>	<u>35,433,467</u>	<u>34</u>
Minority interest	719,866	-	66,594	-
<u>Total Stockholders' Equity</u>	<u>40,276,511</u>	<u>34</u>	<u>35,500,061</u>	<u>34</u>
Commitments and contingent liabilities (Note 7)				
Subsequent events (Note 9)				
<u>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>\$ 116,836,884</u>	<u>100</u>	<u>\$ 103,262,080</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 7, 2012.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(UNAUDITED BUT REVIEWED)

	For the three-month periods ended March 31,			
	2012		2011	
	Amount	%	Amount	%
Operating revenues (Note 5)				
Sales revenue	\$ 82,207,831	102	\$ 80,866,516	101
Sales returns	(713,507)	(1)	(417,205)	-
Sales allowances	(696,658)	(1)	(708,264)	(1)
Net sales revenue	80,797,666	100	79,741,047	100
Service revenue	56,138	-	34,636	-
Total operating revenues	80,853,804	100	79,775,683	100
Operating costs				
Cost of goods sold (Note 4(7))	(76,693,727)	(95)	(75,418,005)	(95)
Gross profit	4,160,077	5	4,357,678	5
Operating expenses (Note 4(25))				
Selling and marketing	(2,101,196)	(3)	(1,976,585)	(2)
General and administrative	(792,047)	(1)	(747,290)	(1)
Total operating expenses	(2,893,243)	(4)	(2,723,875)	(3)
Operating income	1,266,834	1	1,633,803	2
Non-operating income				
Interest income	8,489	-	8,900	-
Investment income accounted for under the equity method (Note 4(11))	2,751	-	16,189	-
Gain on disposal of investments	15,669	-	39,256	-
Foreign exchange gain	-	-	44,575	-
Gain on valuation of financial assets (Note 4(2))	19,003	-	12,371	-
Other non-operating income	40,548	-	43,509	-
Total non-operating income	86,460	-	164,800	-
Non-operating expenses				
Interest expense	(200,875)	-	(143,696)	-
Loss on disposal of property, plant and equipment	(104)	-	(645)	-
Foreign exchange loss	(3,661)	-	-	-
Impairment loss (Note 4(15))	-	-	(1,397)	-
Loss on valuation of financial liabilities (Note 4(2))	(5,216)	-	-	-
Other losses (Note 4(5))	(41,666)	-	(52,978)	-
Total non-operating expenses	(251,522)	-	(198,716)	-
Income before income tax	1,101,772	1	1,599,887	2
Income tax expense (Note 4(18))	(171,809)	-	(277,810)	-
Consolidated net income	\$ 929,963	1	\$ 1,322,077	2
Attributable to:				
Equity holders of the Company	\$ 938,964	2	\$ 1,317,618	2
Minority interest	(9,001)	-	4,459	-
	\$ 929,963	2	\$ 1,322,077	2
	<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>
Basic earnings per share (In dollars) (Note 4(24))				
Net income from operations	\$ 0.69	\$ 0.58	\$ 1.01	\$ 0.83
Minority interest	-	-	-	-
Net income	\$ 0.69	\$ 0.58	\$ 1.01	\$ 0.83
Diluted earnings per share (In dollars) (Note 4(24))				
Net income from operations	\$ 0.69	\$ 0.58	\$ 1.01	\$ 0.83
Minority interest	-	-	-	-
Net income	\$ 0.69	\$ 0.58	\$ 1.01	\$ 0.83

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 7, 2012.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

(UNAUDITED BUT REVIEWED)

	<u>For the three-month periods ended March 31,</u>	
	<u>2012</u>	<u>2011</u>
<u>Cash flows from operating activities</u>		
Consolidated net income	\$ 929,963	\$ 1,322,077
Adjustments to reconcile consolidated net income to net cash provided by (used in) operating activities:		
Changes in unrealized valuation of financial assets at fair value through profit or loss - current	(1,686)	21,897
Changes in unrealized valuation of financial liabilities at fair value through profit or loss - current	(1,021)	(228)
Bad debts expense (reversal of allowance)	13,573	(2,752)
Provision for decline in market value and obsolescence of inventories	32,240	13,635
Gain on disposal of investments	(15,669)	(39,256)
Impairment loss	-	1,397
Investment income accounted for under the equity method	(2,751)	(16,189)
Loss on disposal of property, plant and equipment	104	645
Depreciation	59,983	51,227
Amortization	23,720	18,748
Changes in assets and liabilities:		
Financial assets at fair value through profit or loss - current	(54,600)	(119,859)
Notes receivable, net	(108,397)	(193,997)
Accounts receivable, net	(2,559,314)	(7,384,856)
Accounts receivable - related party, net	(65,483)	(44,084)
Other receivables	522,542	1,961,075
Inventories	(1,557,076)	(3,822,647)
Other current assets	(354,010)	(513,578)
Deferred income tax assets / liabilities, net	(42,131)	(18,598)
Increase in other assets	(2,092)	-
Notes payable	94,216	82,302
Accounts payable	4,723,507	4,960,685
Income tax payable	187,852	237,807
Accrued expenses	(225,490)	(309,975)
Other payables	(347,487)	(108,633)
Other current liabilities	2,658	530,971
Accrued pension liability	(3,991)	(11,971)
Net cash provided by (used in) operating activities	<u>1,249,160</u>	<u>(3,384,157)</u>

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED BUT REVIEWED)

	<u>For the three-month periods ended March 31,</u>	
	<u>2012</u>	<u>2011</u>
<u>Cash flows from investing activities</u>		
Decrease in other financial assets - current	\$ 324,700	\$ 1,287,723
Proceeds from disposal of available-for-sale financial assets - current	7,746	57,355
Proceeds from disposal of available-for-sale financial assets - non-current	8,826	-
Acquisition of financial assets carried at cost - current	(29,994)	-
Decrease in other financial assets - non-current	-	1,760
Acquisition of property, plant, and equipment and intangible assets	(870,273)	(54,301)
Proceeds from disposal of property, plant and equipment	1,316	4,596
Decrease (increase) in deposit-out	28,660	(17,795)
Decrease in other assets - others	4,475	10,974
Net cash (used in) provided by investing activities	<u>(524,544)</u>	<u>1,290,312</u>
<u>Cash flows from financing activities</u>		
Increase in short-term loans	363,665	2,251,591
Decrease in commercial papers payable	(339,886)	(529,736)
(Decrease) increase in long-term loans (including current portion of long-term liabilities)	(37,663)	114,715
Increase (decrease) in minority interest	28,454	(7,855)
Increase in other liabilities - others	16,670	35,448
Net cash provided by financing activities	<u>31,240</u>	<u>1,864,163</u>
Cumulative translation adjustments	(814,975)	27,413
Effect of changes in consolidated subsidiaries	397,651	48,290
Net increase (decrease) in cash and cash equivalents	338,532	(153,979)
Cash and cash equivalents at beginning of period	7,785,974	7,572,979
Cash and cash equivalents at end of period	<u>\$ 8,124,506</u>	<u>\$ 7,419,000</u>
<u>Supplemental disclosures of cash flow information</u>		
Cash paid during the year for interest	<u>\$ 204,558</u>	<u>\$ 168,764</u>
Cash paid during the year for income tax	<u>\$ 42,356</u>	<u>\$ 14,211</u>
<u>Supplemental disclosures of partial payment of cash</u>		
Acquisition of property, plant, and equipment and intangible assets	\$ 328,755	\$ -
Add: accounts payable at the beginning of period	596,260	-
Less: accounts payable at the end of period	(54,742)	-
Cash paid during the period for property, plant, and equipment and intangible assets	<u>\$ 870,273</u>	<u>\$ -</u>

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

See review report of independent accountants dated May 7, 2012.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2012 AND 2011

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

(UNAUDITED BUT REVIEWED)

1. **HISTORY AND ORGANIZATION**

- 1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Inc. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively.
- 2) The Company is engaged in investment holdings.
- 3) In accordance with the Company's Articles of Incorporation, the total amount of authorized capital was 2,000,000,000 shares (including 200,000,000 shares of warrant, warrant preferred stock and warrant bond conversion). As of March 31, 2012, the Company and its consolidated subsidiaries had approximately 6,320 employees. As of March 31, 2012, the Company had issued capital of \$16,557,092 with a par value of \$10 (in dollars) per share.

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**

- (1) The Company and all majority-owned subsidiaries are included in the consolidated financial statements. All transactions between the Company and the consolidated subsidiaries are eliminated during consolidation.
- (2) According to SFAS No. 7, if the company and its subsidiaries own more than 50% of an investee company's voting rights, or has effective control over the investee company, the investee company's financial statements are included in the consolidation.
- (3) The income (loss) of the subsidiaries is included in the consolidated statement of income effective on the date the Company gains control over the subsidiaries. The income (loss)

of the subsidiaries is excluded from the consolidated statement of income effective the date on which the Company loses control over the subsidiaries. Restatement of prior years' consolidated financial statements is not required.

(2) Consolidated subsidiaries and changes in consolidated subsidiaries for the three-month periods ended March 31, 2012 and 2011:

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of March 31,		Note
			2012	2011	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Sales of electronic components	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software and electronic products	100.00	100.00	
WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Pernas Electronics Co., Ltd.	"	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	"	100.00	100.00	
WPG Holdings Limited	WPG Electronic Ltd.	"	100.00	100.00	
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	"	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	
WPG Holding Limited	AECO Technology Co., Ltd.	Sales of electronic components	100.00	-	Note 21
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	Holding company	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	Holding company	100.00	100.00	
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Sales of electronic components	100.00	100.00	
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of March 31,		Note
			2012	2011	
Prime Future Technology Limited	World Peace International Pte. Ltd.	Holding company	100.00	100.00	Note 19
World Peace International Pte. Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	Sales of electronic / electrical components	80.00	100.00	Note 18
World Peace International Pte. Ltd.	WPG Americas Inc.	"	6.73	11.21	Note 2
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	100.00	100.00	Note 11
World Peace International Pte. Ltd.	Genuine C&C (South Asia) Pte., Ltd.	"	100.00	81.00	
World Peace International Pte. Ltd.	World Peace International (China) Limited	"	100.00	100.00	Note 12
World Peace International (South Asia) Pte Ltd.	WPG Malaysia Sdn. Bhd	"	-	100.00	Notes 3 and 5
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	"	100.00	100.00	Note 10
World Peace International (South Asia) Pte Ltd.	WPG Electronics (Philippines) Inc.	"	100.00	100.00	Note 8
World Peace International (South Asia) Pte Ltd.	WPG Electronics (Thailand) Co., Ltd.	"	-	100.00	Notes 3 and 9
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Malaysia) SDN BHD.	"	100.00	100.00	
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	100.00	
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers and Peripheral (India) Private Limited	Sales of electronic / electrical components	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	WPI International (HK) Limited	"	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of		Note
			March 31,		
			2012	2011	
WPI Investment Holding (BVI) Company Ltd.	Gain Tune Ltd.	Warehouse business and agent of sales of electronic components	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	WPI International Trading (Shenzhen) Ltd.	"	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	TEKSEL WPG Limited	Sales of electronic components	50.00	50.00	
WPI Investment Holding (BVI) Company Ltd.	World Peace Industrial (Hong Kong) Limited	"	100.00	100.00	Note 13
WPI Investment Holding (BVI) Company Ltd.	World Peace International (Asia) Limited	"	100.00	-	Note 14
WPI International (HK) Limited	WPI International Trading (Shanghai) Ltd.	"	100.00	100.00	
WPI International (HK) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	
WPI International (HK) Limited	AIO Components Company Limited	Sales of electronic / electrical components	100.00	100.00	
AIO Components Company Limited	AIO (Shanghai) Components Company Limited	"	100.00	100.00	
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	
Silicon Application Corporation	Win-Win Systems Ltd.	Holding company	100.00	100.00	
Silicon Application Corporation	Win-Win Electronics Corp.	Sales of computer software and electronic products	100.00	100.00	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	"	100.00	100.00	
Silicon Application (BVI) Corp.	Alliance Broadcast Vision Pte. Ltd.	Sales and design of electronic components	51.28	51.28	
Silicon Application Company Limited	Dstar Electronic Company Limited	Sales of computer software and electronic products	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of		Note
			2012	2011	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	Sales of electronic / electrical products	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	"	100.00	100.00	
Mec Technology Co., Ltd.	Mec Technology Co., Limited	"	100.00	100.00	
Mec Technology Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	"	100.00	100.00	
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Sales of electronic components	100.00	95.00	
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	Holding company	100.00	100.00	
Pernas Enterprise (Samoa) Limited	World Components Agent (Shanghai) Inc.	Sales of electronic / electrical products	100.00	100.00	
Pernas Enterprise (Samoa) Limited	Arise Component Corp.	"	-	100.00	Note 16
WPG Korea Co., Ltd.	Apache Communication Inc.	Investment company	100.00	100.00	
Apache Communication Inc.	Apache Korea Corp.	Sales of electronic / electrical products	100.00	100.00	
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	
WPG International (CI) Limited	WPG Americas Inc.	Sales of electronic / electrical components	93.27	88.79	Note 2
WPG International (CI) Limited	Da & Da Electronics Pte. Ltd.	"	100.00	100.00	
WPG International (Hong Kong) Limited	WPG Electronics (HK) Limited	"	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China Inc.	"	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software and electronic products	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of		Note
			2012	2011	
WPG Americas Inc.	Dynamic Image Technologies, LLC	Sales of electronic / electrical products	100.00	100.00	
Da & Da Electronics Pte Ltd.	WPG Malaysia Sdn. Bhd	"	100.00	-	Notes 3 and 5
Da & Da Electronics Pte Ltd.	WPG Electronics (Thailand) Co., Ltd.	"	100.00	-	Notes 3 and 9
Asian Information Technology Inc.	Apache Communication Inc.	"	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd	"	100.00	100.00	
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Sale of RF device	100.00	100.00	
Asian Information Technology Inc.	Frontek Technology Corporation	Sales of electronic / electrical products	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	
Asian Information Technology Inc.	AITG Holding Corp.	"	100.00	100.00	
Adivic Technology Co., Ltd.	Advance Digital Communication Co., Ltd.	Sales of electronic / electrical products	100.00	100.00	
Frontek Technology Corporation	Jarek International Corp.	Investment company	100.00	100.00	
Frontek Technology Corporation	Frontek International Limited	"	100.00	100.00	
Fame Hall International Co., Ltd.	Fame Hall International Co., Ltd.	Sales of electronic / electrical products	100.00	100.00	
Fame Hall International Co., Ltd.	AIT Japan, Inc.	"	100.00	100.00	
AITG Holding Corp.	Zheng Ding Technology (ShenZhen) Co., Ltd.	"	100.00	100.00	
AITG Holding Corp.	Asian Information Technology Co., Ltd.	Sales of electronic / electrical products	-	100.00	Note 6

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of March 31,		Note
			2012	2011	
Jarek International Corp.	Kingwealth Technology Limited	Sales of electronic / electrical products	-	-	Note 20
Jarek International Corp.	Jaking Technology Corp.	"	-	100.00	Note 16
Frontek International Limited	AITG Electronic Limited	"	100.00	100.00	
Yosun Industrial Corp.	Sertek Incorporated	"	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	
Yosun Industrial Corp.	Suntek Investments Ltd.	"	100.00	100.00	
Sertek Incorporated	Digital Computer System Co., Ltd.	Sales of electronic / electrical products	100.00	100.00	
Sertek Incorporated	Sertek Limited	"	100.00	100.00	
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	"	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte Ltd.	"	100.00	100.00	
Suntek Investments Ltd.	Siltrontech Electronics Corp.	"	32.22	-	Notes 7 and 15
Suntek Investments Ltd.	Lipers Enterprise Co., Ltd.	"	43.08	-	Notes 7, 15 and 17
Sertek Limited	Sertek (Shanghai) Limited	"	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	"	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	"	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Sunwise Technology Ltd.	Sales of electronic / electrical products	100.00	100.00	
Yosun Singapore Pte Ltd.	Yosun Industrial (Thailand) Co., Ltd.	"	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	% of shares held as of		Note
			2012	2011	
Yosun Singapore Pte Ltd.	Yosun Industrial (Malaysia) SDN. BHD.	Sales of electronic / electrical products	100.00	100.00	
Yosun Singapore Pte Ltd.	Yosun India Private Limited	"	100.00	100.00	
Siltrontech Electronics Corp.	Siltrontech Electronics (HK) Corp., Limited	Import and export business	100.00	-	Notes 7 and 15
Siltrontech Electronics (HK) Corp., Limited	Xiang Mao Electronics (SZ) Corp., Ltd.	Sales of electronic equipment products	100.00	-	Notes 7 and 15
Siltrontech Electronics (HK) Corp., Limited	Siltrontech Electronics (SH) Corp., Ltd.	"	100.00	-	Notes 7 and 15
Lipers Enterprise Co., Ltd.	Lipers (Hong Kong) Enterprise Co., Ltd.	"	100.00	-	Notes 7, 15 and 17
Lipers Enterprise Co., Ltd.	Scope Technology Co., Ltd.	"	100.00	-	Notes 7, 15 and 17
Lipers Enterprise Co., Ltd.	Hatsushiba Tech Co., Ltd.	"	55.00	-	Notes 4, 7 and 15
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Inc.	"	100.00	-	Notes 7, 15 and 17
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Co., Ltd.	"	100.00	-	Notes 7, 15 and 17
Lipers (Hong Kong) Enterprise Co., Ltd.	Dongguan Lipers Electronics Co., Ltd.	Manufacturing	100.00	-	Notes 7, 15 and 17
Lipers (Hong Kong) Enterprise Co., Ltd.	Lipers Electronics (SZ) Co., Ltd.	"	100.00	-	Note 7, 15 and 17
WPG Investment Co., Ltd.	Hatsushiba Tech Co., Ltd.	Sales of electronic equipment products	30.00	-	Note 4
AECO Technology Co., Ltd.	TECO Enterprise Holding (BVI) Co., Ltd.	Investment company	100.00	-	Note 21
TECO Enterprise Holding (BVI) Co., Ltd.	AECO Electronic Co., Ltd.	Distribution of semiconductor products	100.00	-	Note 21
AECO Electronic Co., Ltd.	AECO Electronic (Ningbo) Co., Ltd.	Trading of electronic / electrical products	100.00	-	Note 21

- Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50%.
- Note 2: World Peace Industrial Co., Ltd. held 6.73% and 11.21% of shares of WPG Americas through World Peace International Pte. Ltd. and WPI International (Hong Kong) Limited as of March 31, 2012 and 2011, respectively.
- Note 3: Due to restructuring, the subsidiary was sold to Da & Da Electronics Pte. Ltd. by World Peace International (South Asia) Pte Ltd.
- Note 4: The Company held totally 53.69% of shares of Hatsushiba Tech Co., Ltd. through WPG Investments Co., Ltd. and Lipers Enterprise Co., Ltd. which is 43.08% indirectly held by the Company.
- Note 5: The subsidiary was formerly named WPG Electronics (Malaysia) SDN BHD. The name was changed in March, 2012.
- Note 6: The subsidiary was liquidated in October 2011.
- Note 7: Due to the re-election of Board members of Siltrontech Electronics Corp., Yosun Industrial Corp. acquired majority control over Siltrontech Electronics Corp. Accordingly, the Company has effective control over Lipers Enterprise Co., Ltd.
- Note 8: Due to restriction of local regulations, the Company holds 60% ownership which is under the name of other individuals. The substantial ownership held by the Company was 100%.
- Note 9: Due to restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company was 100%.
- Note 10: The subsidiary was formerly named WPG Electronics (India) Pvt., Ltd. The name was changed in December, 2011.
- Note 11: The subsidiary was formerly named WPG Electronics (South Asia) Pte., Ltd. The name was changed in August, 2011.
- Note 12: The subsidiary was formerly named WPG SCM Limited. The name was changed in July, 2011.
- Note 13: The subsidiary was formerly named WPG Technology Ltd. The name was changed in August, 2011.
- Note 14: The subsidiary was established in August, 2011.
- Note 15: Pursuant to the resolution approved during the Board of Directors' meeting of Yosun Industrial Corp. ("Yosun") on July 28, 2011, Yosun spun off its shares of indirect subsidiary - Siltrontech Electronics Corp. to Suntek Investment Ltd. Accordingly, Yosun has effective control over Siltrontech Electronics Corp. and Lipers Enterprise Co., Ltd. through Suntek Investment Ltd.
- Note 16: The subsidiary deregistration took place in December, 2011.
- Note 17: As of March 31, 2012 and 2011, Yosun Industrial Corp. held directly 28.37% and 25.20% of shares of Lipers Enterprise Co., Ltd, respectively. Yosun Industrial Corp. held totally 43.08% of shares of Lipers Enterprise Co., Ltd. through itself and Siltrontech Electronics Corp.
- Note 18: World Peace International Pte. Ltd. did not participate in the capital increase of Genuine C&C (IndoChina) Pte., Ltd. As a result, the ownership percentage decreased from 100% to 80%.
- Note 19: The subsidiary was formerly named WPG International (South Asia) Pte., Limited. The name was changed in August, 2011.

Note 20: The subsidiary was liquidated in February, 2011.

Note 21: The Company acquired 100% ownership of AECO Technology Co., Ltd. by exchanging shares of common stock on March 1, 2012 and has control over the subsidiaries of AECO Technology Co., Ltd.

- (3) Subsidiaries not included in the consolidated financial statements: None.
 - (4) Different accounting periods and accounting principles adopted by subsidiaries: None.
 - (5) Special operating risk of foreign subsidiaries: None.
 - (6) Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.
 - (7) Details of securities held by subsidiaries, issued by its parent company: None.
 - (8) Information of convertible bonds and new common stock issued by subsidiaries:
 - A. WPG Americas Inc. issued new shares totaling 60 million shares to WPG International (CI) Limited, an indirect subsidiary of the Company, in the third quarter of 2011. There is no significant impact to the Company's equity.
 - B. Genuine C&C (IndoChina) Pte., Ltd. issued new shares totaling 5,631 thousand shares in the first quarter of 2012. World Peace International Pte. Ltd. did not participate in the capital increase. There is no significant impact to the Company's equity.
- 2) Translation of financial statements of foreign subsidiaries
- Assets and liabilities of foreign subsidiaries are translated using the exchange rates at the balance sheet date. Equity accounts are translated at historical rates except for beginning retained earnings which are 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) Foreign currency transactions
- (1) Transactions denominated in foreign currencies are translated into functional currencies at the spot exchange rates prevailing at the transaction dates. Exchange gain or losses are recognized in current year's profit or loss.
 - (2) 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.
 - (3) 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.
- 4) Classification of current and non-current items

- (1) Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - A. Assets arising from operating activities that are expected to be realized or consumed, or are intended to be sold within the normal operating cycle;
 - B. Assets held mainly for trading purposes;
 - C. Assets that are expected to be realized within twelve months from the balance sheet date; and
 - D. Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- (2) Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - A. Liabilities arising from operating activities that are expected to be paid off within the normal operating cycle;
 - B. Liabilities arising mainly from trading activities;
 - C. Liabilities that are to be paid off within twelve months from the balance sheet date; and
 - D. Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

5) 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 is not recognized for assets carried at cost or amortized cost. For financial assets or financial liabilities 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.

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

- (1) Financial assets and financial liabilities at fair value through profit or loss in the form of equity instruments are recognized and derecognized using trade date accounting. Financial assets and financial liabilities at fair value through profit or loss in the form of debt instruments, beneficiary certificates or derivative instruments are recognized and derecognized using settlement accounting.
- (2) Financial assets and financial liabilities at fair value through profit or loss are subsequently remeasured and stated at fair value, and the gain or loss is recognized in profit or loss. The fair value of listed stocks and OTC stocks is based on latest quoted fair prices at the balance sheet date. The fair value of open-end mutual funds is based on the net asset value at the balance sheet date.

7) Derivative financial instruments

While the transactions for which assets are held are option transactions, such assets shall be recognized at their fair value at the transaction date. If a derivative is a non-option derivative,

the fair value initially recognized is zero. When derivative financial instruments are valued at fair value at the balance sheet date, changes in fair value are recognized as assets and liabilities, and the gain or loss is recognized as the resulting profit or loss.

8) Available-for-sale financial assets

- (1) Available-for-sale financial assets in the form of equity instruments are recognized and derecognized using trade date accounting and are initially stated at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.
- (2) The financial assets are remeasured and stated at fair value, and the gain or loss is recognized in equity, until the financial assets are derecognized, at which time the cumulative gain or loss previously recognized in equity shall be recognized in profit or loss. The fair value of listed stocks and OTC stocks is based on latest quoted fair prices at the balance sheet date.
- (3) 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. When the fair value of an equity instrument subsequently increases, impairment losses recognized previously in profit or loss shall not be reversed.

9) Financial assets carried at cost

- (1) Investment in unquoted equity instruments is recognized or derecognized 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.
- (2) Financial assets carried at cost are investments in equity instruments whose fair value cannot be evaluated, including unlisted and emerging company stocks. These financial assets are carried at cost.
- (3) If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. Such impairment loss shall not be reversed when the fair value of the asset subsequently increase.

10) Notes and accounts receivable, other receivables and allowance for doubtful accounts

- (1) Notes receivable and accounts receivable are claims resulting from the sale of goods or services. Other receivables are those arising from transactions other than the sale of goods or services.
- (2) The Group assesses whether objective evidence of impairment exists individually or collectively for financial assets that are 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.

11) Inventories

The Group uses the perpetual inventory system wherein the original cost is the cost to obtain the assets. Cost is determined using the moving-average method. Inventories are stated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost or 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. Allowance for loss is provided on obsolete inventories, when necessary.

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

- (1) 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, effective January 1, 2006. Retrospective adjustment of the amount of goodwill amortized in previous year(s) is not required. 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.
- (2) 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" under stockholders' equity.
- (3) The capital reserve and long-term investment amounts are adjusted by the variance between the investment cost and the net asset of the investee company due to the disproportionate acquisition of shares in connection with the capital increase by the investee company accounted for under the equity method. If the capital reserve arising from long-term investment is not sufficient, then retained earnings is debited.
- (4) Investment loss on the non-controlled entities over which the Group has the ability to exercise significant influence is recognized to the extent that the amount of long-term investments in such investees is written down to zero. However, if the Group continues to provide endorsements, guarantees or financial support for such investees, or the deficit is temporary and will be recovered in short-term, the investment loss is recognized continuously in proportion to the Group's equity interest in such investees. The credit balances of the investments should reduce the receivables from the investee company and the remaining balances are reported in the balance sheet as other liabilities. When the operations of such investees become profitable, the Group recognizes the profits until the amount of losses previously recognized by the Group is fully recovered.

13) Held-to-maturity financial assets

- (1) Held-to maturity financial asset is recognized or derecognized using trade date accounting and is stated initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.
- (2) If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. If the fair value of the financial asset subsequently 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 to the extent of the loss previously recognized in profit or loss.

14) Property, plant and equipment

- (1) Property, plant and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of property, plant and equipment are 3 ~ 10 years, except for buildings, leasehold improvements and miscellaneous equipment, which are 10 ~ 55 years, 2 ~ 5 years and 5 ~ 10 years, respectively.
- (2) When an asset is retired or sold, the cost and accumulated depreciation are removed from the respective accounts and any resulting gain (loss) is included in current operations.
- (3) Maintenance and repairs are expensed as incurred. Major renewals and improvements are capitalized and depreciated accordingly.

15) Impairment of non-financial assets

- (1) 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. When the impairment no longer exists, the impairment loss recognized in prior years shall be recovered.
- (2) Impairment loss will be recognized whenever there is indication that the recoverable amount of these assets is less than their respective carrying amount. Impairment loss of goodwill recognized in prior years is not recoverable in the following years.

16) 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, and after taking into account the effects of ex-rights and ex-dividends.

17) Retirement plan and pension cost

- (1) Under the defined benefit pension plan, net periodic pension costs are recognized in accordance with the actuarial calculations. The net periodic pension costs include service cost, interest cost, expected return on plan assets, unrecognized net transition obligation and amortization of gains or losses on plan assets. Unrecognized net transition obligation is amortized on a straight-line basis over the remaining service period. Prior service costs are recognized as expense if those employees have fulfilled vested criteria when the retirement plan is effective. The minimum pension liability is adjusted by pension costs and the amount of funds contributed. The minimum pension liability is adjusted by continued net pension costs and the amount of funds contributed.
- (2) Under the defined contribution pension plan, net periodic pension costs are recognized as incurred.

18) Income tax

- (1) The Group adopts SFAS No. 22, “Accounting for Income Taxes”, whereby income tax is provided based on accounting income after adjusting for permanent differences. The tax effects of taxable temporary differences are recorded as deferred tax liabilities, while the tax effects of deductible temporary differences and losses available for carryforward are recorded as deferred tax assets.

Valuation allowance on deferred tax assets is provided to the extent that it is more likely than not that the tax benefits will not be realized. When a change in the tax laws is enacted, the deferred tax liability or asset is recomputed accordingly in the period of change. The difference between the new amount and the original amount, that is, the effect of changes in the deferred tax liability or asset, is recognized as an adjustment to current income tax expense (benefit).

- (2) Over or under provision of income tax liabilities in previous years is recorded as an adjustment to the current year’s income tax expense.
- (3) According to the Taiwan imputation tax system, any undistributed current earnings of a company derived on or after January 1, 1998 is subject to an additional 10% corporate income tax if the earnings are not distributed before a specific time. This 10% additional corporate income tax is recorded as income tax expense in the year the stockholders approve a resolution to retain the earnings.
- (4) According to “Income Basic Tax Act”, effective January 1, 2006, income tax is accounted for based on the income tax law or other regulations when income tax is equal or more than the basic tax. When income tax is less than the basic tax, the income tax due shall be equal to the basic tax. The difference cannot be deducted from investment credits based

on other regulations.

- (5) Pursuant to the Tai-Tsai-Shui Letter No. 0910458039 of the Ministry of Finance, R.O.C., dated February 12, 2003, “Criteria for Profit-seeking Enterprises in Filing Consolidated Profit-seeking Enterprise Income Tax Returns According to Article 49 of the Financial Holding Company Act and Article 40 of the Business Mergers and Acquisitions Law”, if the Company holds at least 90% of the issued capital stock of its domestic subsidiaries through mergers for twelve months in a fiscal taxable year, starting from such a fiscal taxable year, the Company may choose to have itself as the taxpayer to file the consolidated profit-seeking enterprise income tax returns.
- (6) The accounting treatment of the Group in adopting the consolidated income tax return system is in accordance with EITF 92-240 of the Accounting Research and Development Foundation of the R.O.C., dated October 3, 2003. The Company and its subsidiaries should individually adopt the R.O.C. SFAS No. 22, “Accounting for Income Taxes” to account for the income taxes according to their respective income tax returns. However, settlements received or paid within the affiliated group arising from filing consolidated income tax returns will have to be adjusted as deferred income tax assets/liabilities or income taxes payable/refundable in the current period.

19) Revenues, costs and expenses

Revenues are recognized when the earning process is completed and are realized or realizable. Costs and expenses are recognized as incurred.

20) Earnings per share

- (1) As the Company has a complex capital structure, basic and diluted earnings per share are disclosed in the statement of income. The computation of earnings per share is as follows:
 - A. Basic earnings per share: net income divided by the weighted average number of shares outstanding during the period.
 - B. Diluted earnings per share: the computation is the same as basic earnings per share, except that the potential dilutive shares are assumed to have been converted to common stock at the beginning of the period and net income is adjusted by the amount associated with the conversion.
- (2) The potential common shares are employees’ bonus that could be distributed in the form of stock. The Company adopted the treasury stock method in computing the dilutive effect.

21) Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles of the R.O.C. requires management to make estimates and assumptions that affect the reported amounts and disclosures of contingencies in the financial statements and accompanying notes. Actual results could differ from those assumptions and estimates.

22) Business acquisition

The Company adopts the purchase method to account for acquisitions. Acquisition price is

purchase cost plus costs directly attributable to the acquisition. The excess of the acquisition price over the acquired net fair value of the merged business is recognized as goodwill. The allocation period of the acquisition price shall not exceed one year after the date of acquisition.

23) 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.

3. CHANGES IN ACCOUNTING PRINCIPLES

1) Notes receivable, accounts receivable and other receivables

Effective January 1, 2011, the Group adopted the amended Statement of Financial Accounting Standards No. 34, “Financial Instruments: Recognition and Measurement”. Under the amended standard, if there is any objective evidence that the notes and accounts receivable, other receivables and other rights of credit are impaired, an impairment loss (or provision for doubtful accounts) is recognized immediately. The adoption of this regulation had no significant effect on the consolidated financial statements as of and for the three-month period ended March 31, 2011.

2) Operating segments

Effective January 1, 2011, the Group adopted R.O.C. SFAS No. 41, “Operating Segments”, which supersedes R.O.C. SFAS No. 20, “Segment Reporting”. Segment information for prior years shall be re-prepared when the Group applies this standard for the first time. However, this adoption had no effect on the Group’s consolidated net income and earnings per share for the three-month period ended March 31, 2011.

4. DETAILS OF SIGNIFICANT ACCOUNTS

1) CASH AND CASH EQUIVALENTS

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Cash on hand	\$ 17,882	\$ 8,458
Checking accounts	1,472,867	1,372,057
Demand deposits	5,493,435	4,239,877
Time deposits	1,140,322	1,750,057
Cash equivalents	-	48,551
	<u>\$ 8,124,506</u>	<u>\$ 7,419,000</u>

2) FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Current items:		
Financial assets for trading		
Listed stocks	\$ 31,185	\$ 67,475
Open-end mutual funds	166,300	177,500
Derivatives	<u>2,614</u>	<u>1,597</u>
	200,099	246,572
Adjustment of financial assets held for trading	(9,287)	5,841
	<u>\$ 190,812</u>	<u>\$ 252,413</u>
Current items:		
Financial liabilities for trading		
Derivatives	<u>\$ 325</u>	<u>\$ 1,004</u>

1. The Group recognized net gain amounting to \$13,787 and \$12,371 for the three-month periods ended March 31, 2012 and 2011, respectively.
2. The trading items and contract information of derivatives are as follows:

	<u>March 31, 2012</u>		
<u>Financial instruments</u>	<u>Amount (in thousands)</u>	<u>Contract period</u>	
Forward currency contracts			
- Sell	USD 14,840	2012.02.02~2012.05.21	
- Sell - SWAP	USD 12,643	2011.11.15~2012.06.05	
- Buy	USD 4,850	2012.02.20~2012.07.31	
	<u>March 31, 2011</u>		
<u>Financial instruments</u>	<u>Amount (in thousands)</u>	<u>Contract period</u>	
Forward currency contracts			
- Sell	USD 15,430	2011.02.15~2011.05.27	
- Sell - SWAP	USD 9,277	2011.01.12~2011.05.06	
- Buy	USD 6,630	2011.02.21~2011.07.10	
- Buy-SWAP	USD 1,700	2011.03.30~2011.04.01	

The Group entered into forward currency contracts to manage exposures to foreign exchange rate fluctuation of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

3) AVAILABLE-FOR-SALE FINANCIAL ASSETS - CURRENT

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Current items:		
Listed stock	\$ 214	\$ 426
Bond fund	10,000	10,036
Adjustments of available-for-sale financial assets	<u>7,472</u>	<u>14,317</u>
	<u>\$ 17,686</u>	<u>\$ 24,779</u>

4) NOTES RECEIVABLE, NET

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Notes receivable	\$ 1,840,102	\$ 1,655,852
Less: Allowance for doubtful accounts	(1,167)	(840)
	<u>\$ 1,838,935</u>	<u>\$ 1,655,012</u>

5) ACCOUNTS RECEIVABLE, NET

(1)	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Accounts receivable	\$ 49,951,307	\$ 43,017,534
Less:		
Allowance for doubtful accounts	(187,964)	(370,082)
Allowance for sales discount	(347,531)	(322,856)
	<u>\$ 49,415,812</u>	<u>\$ 42,324,596</u>

(2)The subsidiaries entered into factoring of accounts receivable with banks. In accordance with the contract requirements, subsidiaries shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The requirements are in line with the criteria of derecognition of financial assets. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred on only commercial disputes or for the banks practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes.

(3)The subsidiaries factored accounts receivable totaling \$14,726,345 and \$17,792,922 for the three-month periods ended March 31, 2012 and 2011, respectively. As of March 31, 2012 and 2011, the reserve amounted to \$2,588,271 and \$2,400,106, respectively, which was booked as other receivables. The related management fees and financing expenses amounted to \$27,148 and \$25,121 for the three-month periods ended March 31, 2012 and 2011, respectively, which were booked as other losses.

(4)As of March 31, 2012, details of factoring of accounts receivable are as follows:

Subsidiary – World Peace Industrial Co., Ltd.

Facility	Cathay United Bank		Mega International Commercial Bank		Chinatrust Bank	Taishin International Bank	Taipei Fubon Bank			
	USD	34,000	USD	92,300						
	(Thousands)		(Thousands)							
Amount factored	\$	528,939	\$	1,852,744	\$	415,261	\$	1,183,437	\$	641,280
Proceeds from factoring		528,939		1,852,744		415,261		1,183,437		641,280
Period		2011/06~ 2012/06		2011/07~ 2012/07		2011/05~ 2012/05		2011/08~ 2012/08		2012/03~ 2013/03
Range of interest rates		1.64%~1.95%		0.84%~1.51%		1.22%~2.53%		1.81%~2.28%		1.05%~2.20%
Pledged assets		Commercial papers		Commercial papers		Commercial papers		Commercial papers		-
	USD	34,000	USD	92,300	\$	60,000	\$	1,600,000		
	(Thousands)		(Thousands)							

Subsidiary – Silicon Application Corporation

Facility	Taishin International Bank		Mega International Commercial Bank	Sinopac Bank Taipei Branch		
	\$	2,500,000	USD	37,000	USD	12,000
	(Thousands)		(Thousands)		(Thousands)	
Amount factored	\$	914,860	\$	715,929	\$	19,222
Proceeds from factoring		914,860		715,929		19,222
Period		2011/05~2012/04		2011/10~2012/09		2011/09~2012/07
Range of interest rates		1.93%~2.65%		1.36%~2.18%		1.54%~2.27%
Pledged assets		Commercial papers		Commercial papers		Commercial papers
	\$	2,500,000	USD	37,000	USD	12,000
			(Thousands)		(Thousands)	

Subsidiary – Richpower Electronic Devices Co., Ltd.

Facility	Taiwan Cooperative Bank		Sinopac Bank	Tachong Bank	Chinatrust Bank			
	USD	6,700	\$	130,000	USD	5,000	\$	100,000
	(Thousands)				(Thousands)			
Amount factored	\$	56,450	\$	3,383	\$	2,028	\$	3,877
Proceeds from factoring		50,805		2,707		1,825		3,489
Period		2011/05~2012/05		2011/07~2012/07		2011/05~2012/05		2011/05~2012/05
Range of interest rates		0.98%~1.09%		1.02%		1.50%		1.30%
Pledged assets		Commercial papers		Commercial papers		Commercial papers		Commercial papers
	USD	6,700	\$	130,000	USD	5,000	\$	100,000
	(Thousands)				(Thousands)			
					\$	100,000		

Subsidiary – Richpower Electronic Devices Co., Ltd. (cont'd)

	<u>E. Sun Bank</u>		<u>Far Eastern International Bank</u>		<u>Cathay United Bank</u>
Facility	USD	16,000	USD	12,000	USD 700
		(Thousands)		(Thousands)	(Thousands)
Amount factored	\$	270,210	\$	97,109	\$ 14,557
Proceeds from factoring		243,189		87,398	13,101
Period		2011/12~2012/12		2011/06~2012/06	2011/01~2012/01
Range of interest rates		1.06%~1.61%		1.57%~1.99%	1.07%
Pledged assets		Commercial papers		Commercial papers	Commercial papers
	USD	16,000	USD	12,000	USD 700
		(Thousands)		(Thousands)	(Thousands)

Subsidiary – Pernas Electronics Co., Ltd.

	<u>Taishin International Bank</u>		<u>Mega International Commercial Bank</u>		<u>DBS Bank</u>	<u>Tachong Bank</u>
Facility	\$	700,000	\$	240,000	USD 6,000	USD 10,000
					(Thousands)	(Thousands)
Amount factored	\$	134,528	\$	31,454	\$ 1,898	\$ 39,301
Proceeds from factoring		106,026		28,309	-	35,371
Period		2011/12~2012/12		2011/08~2012/08	2011/12~2012/08	2011/06~2012/05
Range of interest rates		1.53%~2.68%		1.59%~2.00%	-	1.69%~2.11%
Pledged assets		Commercial papers		Commercial papers	Commercial papers	Commercial papers
	\$	700,000	\$	240,000	USD 6,000	USD 10,000
					(Thousands)	(Thousands)

Subsidiary – Pernas Electronics Co., Ltd. (cont'd)

	<u>Yuanta Bank</u>		<u>Taipei Fubon Bank</u>		<u>EnTie Commercial Bank</u>	<u>The Shanghai Commercial & Savings Bank</u>
Facility	USD	24,000	USD	10,280	\$ 152,000	\$ 500
		(Thousands)		(Thousands)	USD 2,000	(Thousands)
					(Thousands)	
Amount factored	\$	328,071	\$	20,996	\$ 17,485	\$ -
Proceeds from factoring		300,729		18,897	2,703	-
Period		2011/05~2012/10		2011/08~2012/08	2011/08~2012/08	2011/11~2012/06
Range of interest rates		1.40%~1.55%		1.32%~2.27%	2.00%~2.06%	-
Pledged assets		Commercial papers		Commercial papers	Commercial papers	Commercial papers
	USD	24,000	USD	1,088	\$ 152,000	USD 2,000
		(Thousands)		(Thousands)	USD 2,000	(Thousands)
					(Thousands)	

Subsidiary – Pernas Electronics Co., Ltd. (cont'd)

	Far Eastern International Bank		E. Sun Bank		Shin Kong Bank	
	USD	7,000	USD	5,500	USD	7,700
Facility	(Thousands)		(Thousands)		(Thousands)	
Amount factored	\$	66,876	\$	-	\$	75,246
Proceeds from factoring		31,709		-		67,721
Period	2011/09~2012/09		2012/02~2013/02		2012/01~2012/12	
Range of interest rates	1.98%~2.10%		-		1.58%~1.60%	
Pledged assets	Commercial papers USD 7,000 (Thousands)		Commercial papers USD 5,500 (Thousands)		Commercial papers USD 7,700 (Thousands)	

Subsidiary – Asian Information Technology Inc.

	Tachong Bank		Taipei Fubon Bank		Mega International Commercial Bank		Yuanta Bank	
	\$	2,350,000	\$	1,494,000	\$	-	\$	1,762,000
Facility	\$	2,350,000	\$	1,494,000	\$	-	\$	1,762,000
Amount factored	\$	786,680	\$	794,117	\$	9,428	\$	617,977
Proceeds from factoring		282,185		-		-		178,672
Period	2011/05~2012/05		2011/07~2012/07		2011/03~2011/12		2011/06~2012/06	
Range of interest rates	1.00%~1.06%		-		-		1.04%	
Pledged assets	Commercial papers \$ 2,350,000		Commercial papers \$ 151,000		Commercial Papers (Note) \$ 206,570		Commercial Papers \$ 1,762,000	

Note: The accounts receivable factoring contract expired in December 2011. However, certain accounts receivable factoring has not been settled yet. Therefore, Asian Information Technology Inc. provided pledged assets for guarantee.

Subsidiary – Asian Information Technology Inc. (cont'd)

	<u>Chinatrust Bank</u>	<u>EnTie Commercial Bank</u>	<u>Chang Hwa Bank</u>
Facility	\$ 547,000	\$ 26,559	\$ 70,824
Amount factored	\$ 285,424	\$ 38	\$ 17,556
Proceeds from factoring	-	-	-
Period	2011/05~2012/05	2011/12~2012/12	2011/03~2013/03
Range of interest rates	-	-	-
Pledged assets	Commercial papers	Commercial papers	Commercial papers
	\$ 59,700	\$ 26,559	\$ 70,824

Yosun Industrial Corp.

	<u>Tachong Bank</u>	<u>Yuanta Bank</u>	<u>Standard Chartered Bank</u>	<u>Taishin International Bank</u>	<u>Far Eastern International Bank</u>
Facility	\$ 4,064,030	\$ 221,325	\$ 1,798,635	\$ 29,498,938	\$ 3,281,150
Amount factored	\$ 263,148	-	\$ 140,309	\$ 2,706,896	\$ 558,008
Proceeds from factoring	197,036	-	140,309	2,577,198	520,313
Period	2011/05~ 2012/05	2011/05~ 2012/06	2010/09~ 2012/09	2011/04~ 2013/01	2011/08~ 2013/01
Range of interest rates	1.21%~2.55%	-	2.30%~2.43%	1.36%~2.75%	2.00%~2.40%
Pledged assets	Commercial papers	Commercial papers	Time deposit	Commercial papers	Commercial papers
	\$ 1,029,899	\$ 221,325	\$ 23,608	\$ 19,241,535	\$ 1,363,000
				Time deposit	Time deposit
				\$ 289,161	\$ 62,238

Yosun Industrial Corp. (cont'd)

	<u>Sinopac Bank</u>	<u>Chinatrust Bank</u>	<u>Shin Kong Bank</u>	<u>Taipei Fubon Bank</u>	<u>Mega International Commercial Bank</u>
Facility	\$ 914,755	\$ 2,710,873	\$ 173,608	\$ 1,740,400	\$ 970,000
Amount factored	\$ 106,211	\$ -	\$ 1,289	\$ 91,561	\$ 66,227
Proceeds from factoring	102,194	-	1,031	91,561	20,222
Period	2011/08~ 2012/09	2011/05~ 2012/05	2012/03~ 2013/03	2011/09~ 2012/12	2011/07~ 2012/12
Range of interest rates	1.38%~2.92%	-	1.81%	1.58%~2.55%	1.45%
Pledged assets	Commercial papers \$ 675,295 Time deposit \$ 20,000	Commercial papers \$ 288,804	Commercial papers \$ 150,000	Commercial paper \$ 33,000	Commercial papers \$ 915,000

Yosun Industrial Corp. (cont'd)

	<u>EnTie Commercial Bank</u>	<u>First Commercial Bank</u>	<u>Hang Seng Bank</u>	<u>DBS Bank</u>	<u>JihSun Bank</u>
Facility	\$ 787,706	\$ 235,000	\$ 826,280	\$ 456,240	\$ 10,000
Amount factored	\$ -	\$ -	\$ 618,700	\$ 107,561	\$ -
Proceeds from factoring	-	-	556,830	96,805	-
Period	2011/04~ 2012/06	2011/05~ 2012/05	2011/10~ 2012/10	2011/09~ 2012/09	2011/09~ 2012/06
Range of interest rates	-	-	1.31%~ 1.58%	1.24%~ 1.36%	-
Pledged assets	Commercial papers \$ 430,657	Commercial papers \$ 150,000	Time deposits \$ 64,390	Time deposit \$ 112,790	Commercial papers \$ 10,000

Yosun Industrial Corp. (cont'd)

	<u>Hua Nan Bank</u>	<u>Chang Hwa Bank</u>	<u>E. Sun Bank</u>	<u>The Chinese Bank</u>
Facility	\$ 15,000	\$ 295,000	\$ 50,000	\$ 30,000
Amount factored	-	\$ 120,074	-	\$ -
Proceeds from factoring	-	108,067	-	-
Period	2011/07~2012/07	2011/12~2012/12	2011/07~2012/07	2012/01~2013/01
Range of interest rates	-	1.32%~1.65%	-	-
Pledged assets	Commercial papers \$ 100,000	Commercial papers \$ 265,500	Commercial papers \$ 50,000	Commercial papers \$ 50,000

(5)As of March 31, 2011, details of factoring of accounts receivable are as follows:

Subsidiary – World Peace Industrial Co., Ltd.

	Cathay United Bank		Mega International Commercial Bank		Chinatrust Bank	Taishin International Bank	Taipei Fubon Bank			
Facility	USD	34,000	USD	89,800	\$	470,000	\$	1,600,000	\$	1,104,300
		(Thousands)		(Thousands)						
Amount factored	\$	615,272	\$	1,954,901	\$	351,569	\$	1,367,653	\$	683,791
Proceeds from factoring		615,272		1,954,901		351,569		1,367,653		683,791
Period		2010/06~ 2011/06		2010/06~ 2011/06		2010/07~ 2011/05		2010/06~ 2011/06		2011/03~ 2012/03
Range of interest rates		1.21%~1.35%		0.86%~0.90%		1.19%~1.80%		1.05%~1.11%		0.88%~1.53%
Pledged assets		Commercial papers		Commercial papers		Commercial papers		Commercial papers		-
	USD	34,000	USD	89,800	\$	38,400	\$	1,600,000		
		(Thousands)		(Thousands)						

Subsidiary – Silicon Application Corporation

	Taishin International Bank		Mega International Commercial Bank		Sinopac Bank Taipei Branch	
Facility	\$	2,500,000	USD	31,000	USD	15,000
				(Thousands)		(Thousands)
Amount factored	\$	1,111,458	\$	635,650	\$	49,838
Proceeds from factoring		1,111,458		635,650	\$	49,838
Period		2010/10~2011/04		2010/10~2011/09		2010/07~2011/07
Range of interest rates		1.03%~1.08%		0.96%~0.97%		0.95%~0.96%
Pledged assets		Commercial papers		Commercial papers		Commercial papers
	\$	2,500,000	USD	37,000	USD	15,000
				(Thousands)		(Thousands)

Subsidiary – Richpower Electronic Devices Co., Ltd.

	Taiwan Cooperative Bank	Sinopac Bank	Tachong Bank	Far Eastern International Bank	Cathay United Bank
Facility	USD 8,500 (Thousands)	\$ 50,000	\$ 100,000	USD 3,000 (Thousands)	USD 700 (Thousands)
Amount factored	\$ 39,780	\$ 3,333	\$ 39,273	\$ 85,314	\$ 9,663
Proceeds from factoring	35,802	2,666	35,346	76,783	8,697
Period	2010/06~ 2011/06	2010/07~ 2011/07	2010/05~ 2011/05	2010/10~ 2011/10	2010/01~ 2011/01
Range of interest rates	0.86%	0.92%	0.90%~0.96%	1.08%	1.27%
Pledged assets	Commercial papers	Commercial papers	Commercial papers	Commercial papers	Commercial papers
	USD 8,500 (Thousands)	\$ 50,000	\$ 100,000	USD 3,000 (Thousands)	USD 700 (Thousands)

Subsidiary – Pernas Electronics Co., Ltd.

	Taishin International Bank	Mega International Commercial Bank	DBS Bank	Tachong Bank
Facility	\$ 840,000	\$ 220,000	USD 1,000 (Thousands)	USD 10,000 (Thousands)
Amount factored	\$ 375,466	\$ 88,420	-	\$ 43,706
Proceeds from factoring	377,819	79,578	-	39,335
Period	2010/11~2011/11	2010/08~2011/08	2010/02~2011/02	2010/05~2011/05
Range of interest rates	1.44%~1.93%	1.28%~3.13%	-	1.38%~1.65%
Pledged assets	Commercial papers	Commercial papers	Commercial papers	Commercial papers
	\$ 1,000,000	\$ 220,000	USD 3,000 (Thousands)	USD 10,000 (Thousands)

Subsidiary – Pernas Electronics Co., Ltd. (cont'd)

	Yuanta Bank	Taipei Fubon Bank	EnTie Commercial Bank	The Shanghai Commercial & Savings Bank
Facility	USD 18,000 (Thousands)	USD 10,680 (Thousands)	\$ 162,000 USD 950 (Thousands)	\$ 10,000 USD 1,300 (Thousands)
Amount factored	\$ 371,810	\$ 161,397	\$ 48,696	-
Proceeds from factoring	345,011	145,257	43,809	-
Period	2010/09~2011/09	2010/07~2011/07	2010/08~2011/08	2010/07~2011/06
Range of interest rates	1.10%~1.30%	1.21%~1.65%	1.28%~1.85%	-
Pledged assets	Commercial papers	Commercial papers	Commercial papers	Commercial papers
	USD 18,000 (Thousands)	USD 1,068 (Thousands)	\$ 162,000 USD 950 (Thousands)	USD 3,200 (Thousands)

Subsidiary – Asian Information Technology Inc.

	<u>Tachong Bank</u>	<u>Taipei Fubon Bank</u>	<u>Mega International Commercial Bank</u>	<u>Yuanta Bank</u>
Facility	\$ 2,350,000	\$ 2,086,000	\$ 205,800	\$ 1,762,000
Amount factored	\$ 684,960	\$ 887,772	\$ 117,032	\$ 827,254
Proceeds from factoring	410,760	118,810	-	324,412
Period	2010/03~2011/04	2010/07~2011/07	2011/03~2011/12	2010/06~2011/06
Range of interest rates	0.76%~0.78%	0.73%~0.86%	-	0.77%~0.79%
Pledged assets	Commercial papers	Commercial papers	Commercial papers	Commercial papers
	\$ 2,350,000	\$ 237,600	\$ 205,800	\$ 1,812,000

Subsidiary – Asian Information Technology Inc. (cont'd)

	<u>Taishin International Bank</u>	<u>EnTie Commercial Bank</u>	<u>Chinatrust Bank</u>
Facility	\$ -	\$ 26,460	\$ 639,000
Amount factored	\$ 63,012	5,588	\$ 344,452
Proceeds from factoring	-	-	-
Period	2010/04~2010/12	2010/12~2011/12	2010/08~2011/05
Range of interest rates	-	-	-
Pledged assets	Commercial papers	Commercial papers	Commercial papers
	\$ 528,200	\$ 26,460	\$ 128,700

Subsidiary – Yosun Industrial Corp.

	<u>Tachong Bank</u>	<u>Yuanta Bank</u>	<u>Standard Chartered Bank</u>	<u>Taishin International Bank</u>	<u>Far Eastern International Bank</u>
Facility	\$ 4,970,000	\$ 235,200	\$ 2,290,422	\$ 29,210,332	\$ 1,000,000
Amount factored	\$ 135,091	\$ 12,025	\$ 390,885	\$ 4,340,706	\$ 111,181
Proceeds from factoring	135,091	12,025	324,466	4,259,961	111,181
Period	2010/04~ 2011/05	2010/06~ 2011/06	2010/08~ 2011/09	2010/04~ 2011/05	2010/08~ 2011/08
Range of interest rates	1.94%~2.49%	1.13%~1.39%	0.89%~2.77%	1.23%~1.98%	1.39%~1.89%
Pledged assets	Commercial papers	Time deposits	Time deposits	Commercial papers	Commercial papers
	\$ 2,367,300	\$ 15,000	\$ 103,551	\$ 23,957,900	\$ 1,000,000
	Time deposits			Time deposits	Time deposits
	\$ 74,100			\$ 471,499	\$ 30,000

Subsidiary – Yosun Industrial Corp. (cont'd)

	<u>Sinopac Bank</u>	<u>Chinatrust Bank</u>	<u>Taipei Fubon Bank</u>	<u>Mega International Commercial Bank</u>
Facility	\$ 900,000	\$ 7,612,924	\$ 2,407,900	\$ 880,000
Amount factored	\$ 239,597	\$ 162,647	\$ 549,960	\$ 73,383
Proceeds from factoring	239,597	162,647	549,960	73,146
Period	2010/09~2011/09	2010/05~2011/05	2010/10~2011/10	2010/03~2011/11
Range of interest rates	1.41%~2.17%	1.59%~2.45%	0.96%~1.50%	0.86%~1.29%
Pledged assets	Commercial papers \$ 900,000	Commercial papers \$ 868,760	Commercial papers \$ 49,300	Commercial papers \$ 625,000
	Time deposits \$ 28,000	Time deposits \$ 180,000	Time deposits \$ 11,000	Time deposits \$ 9,000

Subsidiary – Yosun Industrial Corp. (cont'd)

	<u>En Tie Commercial Bank</u>	<u>First Commercial Bank</u>	<u>Hang Seng Bank</u>	<u>DBS Bank</u>
Facility	\$ 650,000	\$ 235,000	\$ 771,070	\$ 302,160
Amount factored	\$ 159,025	\$ 17,876	\$ 516,284	\$ 117,202
Proceeds from factoring	159,025	17,876	463,420	110,204
Period	2010/03~2011/11	2010/03~2011/03	2010/05~2011/05	2010/09~2011/08
Range of interest rates	1.19%~1.64%	1.20%~1.56%	1.09%~1.26%	0.99%~1.12%
Pledged assets	Commercial papers \$ 300,000	Commercial papers \$ 150,000	Time deposits \$ 62,161	Time deposits \$ 18,886
	Time deposits \$ 23,000	Time deposits \$ 4,000		

(6)As of March 31, 2012 and 2011, the accounts receivable of the subsidiary, Silicon Application Corporation, totaling \$156,559 and \$406,022, respectively, were pledged to the above banks.

6) OTHER FINANCIAL ASSETS – CURRENT

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Pledged time deposits	\$ 1,883,410	\$ 2,340,892
Pledged commercial paper	8,979	8,021
Restricted cash accounts	942,078	1,029,282
Other time deposits	-	2,188
	<u>\$ 2,834,467</u>	<u>\$ 3,380,383</u>

As of March 31, 2012 and 2011, certain customers remitted \$58,819 and \$630,769, respectively, directly to the Group's bank accounts as payment of their trade debts to the Group. As the corresponding accounts receivable were sold without recourse, such payments were

restricted. For the purpose of pledged assets, please refer to Note 6.

7) INVENTORIES, NET

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Inventories	\$ 35,932,409	\$ 32,940,570
Inventories in transit	1,951,854	1,943,500
Less: Allowance for decline in market value and obsolescence of inventories	(1,336,870)	(1,268,080)
	<u>\$ 36,547,393</u>	<u>\$ 33,615,990</u>

Expenses and losses incurred on inventories for the three-month periods ended March 31, 2012 and 2011 were as follows:

	<u>For the three-month periods ended March 31,</u>	
	<u>2012</u>	<u>2011</u>
Cost of goods sold	\$ 76,660,976	\$ 75,404,370
Loss on inventory obsolescence and market price decline	32,240	13,635
Loss on physical inventory	511	-
	<u>\$ 76,693,727</u>	<u>\$ 75,418,005</u>

8) OTHER CURRENT ASSETS

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Prepaid expenses	\$ 218,485	\$ 145,185
Overpaid sales tax	640,401	611,644
Prepayments	1,318,248	795,729
Others	88,085	18,472
	<u>\$ 2,265,219</u>	<u>\$ 1,571,030</u>

9) AVAILABLE-FOR-SALE FINANCIAL ASSETS – NON-CURRENT

March 31, 2012							
<u>Investee company</u>	<u>Number of shares (Thousands)</u>	<u>Original cost</u>	<u>Balance</u>	<u>% of ownership</u>	<u>Market value per share (Dollars)</u>	<u>Note</u>	<u>Relationship</u>
Genuine C&C, Inc.	14,405	\$ 165,700	\$ 165,700	16.29%	\$ 11.50	Note	Same chairman
Genesis Photonics Inc.	634	5,181	5,181	0.23%	40.65		None
Alpha & Omega Semiconductor Limited	17	<u>2,294</u>	<u>2,294</u>	-	283.89	Preferred stock	"
		<u>\$ 173,175</u>	173,175				
Addition: valuation adjustment			<u>23,014</u>				
			<u>\$ 196,189</u>				

March 31, 2011							
<u>Investee company</u>	<u>Number of shares (Thousands)</u>	<u>Original cost</u>	<u>Balance</u>	<u>% of ownership</u>	<u>Market value per share (Dollars)</u>	<u>Note</u>	<u>Relationship</u>
Genuine C&C, Inc.	14,405	\$ 165,700	\$ 165,700	15.59%	\$ 9.90		Same chairman
Genesis Photonics Inc.	681	<u>6,815</u>	<u>6,815</u>	0.32%	88.06		None
		<u>\$ 172,515</u>	172,515				
Addition: valuation adjustment			<u>30,058</u>				
			<u>\$ 202,573</u>				

Note: Genuine C&C, Inc. cancelled the treasury stocks in the fourth quarter of 2011. Accordingly, the percentage of ownership increased from 15.60% to 16.29%.

10) FINANCIAL ASSETS CARRIED AT COST – NON-CURRENT

(1)

	March 31, 2012						
	Number of shares (Thousands)	Original cost (Thousands)	Balance	% of ownership	Market value per share (Dollars)	Loss on impairment	Note
<u>Investee company</u>							
Jasper Display Corp.	750	\$ 15,000	\$ 15,000	3.29%	\$ 12.04	\$ -	-
3CX, Inc.	1,025	31,251	31,251	Note 2	30.49	-	-
AcroSense Technology Co., Ltd.	1,194	11,941	11,941	1.74%	5.88	-	-
Kingpak Technology Inc.	3,049	35,419	31,779	2.23%	10.33	-	1,850 thousand shares utilized as payment guarantee
Kingmac Technology Inc.	1,133	23,853	23,853	1.90%	8.39	-	1,133 thousand shares utilized as payment guarantee
Centillion III Venture Capital Corp.	5,000	50,000	50,000	9.23%	6.93	-	-
Apollo Electronics Group Ltd.	6,825	47,557	42,625	15.17%	6.25	-	-
Hou Pang Venture Capital Corp.	975	9,750	9,279	2.50%	7.10	-	-
Promaster Technology Co., Ltd.	4,108	49,605	49,605	12.46%	11.80	-	-
Everrich Capital Co., Ltd.	895	29,387	29,387	11.82%	26.00	-	Same chairman with the subsidiary
Fortend Taiwan Scientific Corp.	2,400	31,200	31,200	5.65%	4.57	-	-
Battery Energy Technology, Inc.	1,800	18,000	18,000	6.70%	10.00	-	-
GCS Holdings, Inc.	850	29,192	29,192	2.33%	34.34	-	-
Ability I Venture Capital Corporation	5,000	50,000	50,000	10.00%	10.00	-	-
M Cube Inc.	528	45,590	45,150	Note 3	-	-	-
Phostek Inc.	625	14,377	14,377	Note 3	-	-	-
Others			158,891			-	-
			641,530			\$ -	
Less: Accumulated impairment			(164,618)				
			<u>\$ 476,912</u>				

March 31, 2011

<u>Investee company</u>	<u>Number of shares (Thousands)</u>	<u>Original cost (Thousands)</u>	<u>Balance</u>	<u>% of ownership</u>	<u>Market value per share (Dollars)</u>	<u>Loss on impairment</u>	<u>Note</u>
Jasper Display Corp.	750	\$ 15,000	\$ 15,000	1.74%	20.00	\$ -	-
3CX Inc.	1,025	31,251	31,251	Note 2	30.49	-	-
AcroSense Technology Co., Ltd.	1,194	11,941	11,941	1.74%	10.00	-	-
Kingpak Technology Inc.	3,049	35,419	31,779	2.23%	10.42	-	1,850 thousand shares utilized as payment guarantee
Kingmac Technology Inc.	1,133	23,853	23,853	1.90%	21.05	-	1,133 thousand shares utilized as payment guarantee
Centillion III Venture Capital Corp.	5,000	50,000	50,000	9.23%	8.04	1,397	-
Apollo Electronics Group Ltd.	6,825	47,557	42,077	15.17%	6.17	-	-
Hou Pang Venture Capital Corp.	2,000	20,000	19,034	2.50%	7.59	-	-
Promaster Technology Co., Ltd.	4,108	49,605	49,605	12.46%	11.80	-	-
BluePacket Communications Co., Ltd.	345	10,005	10,005	3.66%	3.47	-	Chairman of the subsidiary is a director of the company
Everrich Capital Co., Ltd.	895	29,387	29,387	11.82%	26.70	-	Same chairman with the subsidiary
Others			<u>63,696</u>	-	-	<u>\$ 1,397</u>	
			377,628				
Less: Accumulated impairment			(<u>74,678</u>)				
			<u>\$ 302,950</u>				

Note 1: The impairment of assets is shown in Note 4(15).

Note 2: Including 125,000 shares of common stock, and 900,000 shares of preferred stock.

Note 3: Preferred stock.

11) LONG-TERM EQUITY INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD (OTHER LIABILITIES)

(1)Details of investments (other liabilities - others)

	March 31, 2012						
	Number of shares (Thousands)	Original cost	Balance	% of ownership	Market value per share (Dollars)	Note	Relationship
<u>Investee company</u>							
Chain Power Technology Corp.	14,820	\$ 116,650	\$ 214,657	39.00%	\$ 14.48		Subsidiary's investee accounted for under the equity method
Yosun Green Technology Corp.	4,500	45,000	38,295	45.00%	8.51		"
Yosun Japan Corp.	5	14,728	10,130	50.00%	2,025.99		"
Eesource Corp.	2,160	23,040	75,314	40.00%	34.87		Subsidiary's and indirect subsidiary's investee accounted for under the equity method
Suzhou Xinning Bonded Warehouse Co., Ltd.	Note 1	31,952	36,014	49.00%	Note 1		Indirect subsidiary's investee accounted for under the equity method
Gain Tune Logistic (Shanghai) Ltd.	"	15,215	17,510	40.00%	"		"
Suzhou Xinning Logistic Ltd.	"	25,744	29,126	29.40%	"		"
Others			<u>887</u>				
			<u>\$ 421,933</u>				

March 31, 2011							
<u>Investee company</u>	<u>Number of shares (Thousands)</u>	<u>Original cost</u>	<u>Balance</u>	<u>% of ownership</u>	<u>Market value per share (Dollars)</u>	<u>Note</u>	<u>Relationship</u>
Chain Power Technology Corp.	14,820	\$ 116,650	\$ 222,838	39.00%	\$ 15.04		Subsidiary's investee accounted for under the equity method
Siltrontech Electronics Corp.	24,551	149,992	208,615	32.22%	8.50		"
Lipers Enterprise Co., Ltd.	7,312	125,747	116,375	25.20%	15.92		"
Yosun Green Technology Corp.	4,500	45,000	42,497	45.00%	9.44		"
Yosun Japan Corp.	5	14,728	11,574	50.00%	2,314.8		"
Eesource Corp.	2,160	23,040	93,848	40.00%	43.45		Indirect subsidiary's investee accounted for under the equity method
Great Time Electronics Co., Ltd.	1,890	8,037 (3,535)	30.00%	Note 2		"
Suzhou Xinning Bonded Warehouse Co., Ltd.	Note 1	31,952	35,081	49.00%	Note 1		"
Gain Tune Logistic (Shanghai) Ltd.	"	15,215	15,750	40.00%	"		"
Suzhou Xinning Logistic Ltd.	"	17,915	33,428	29.40%	"		"
Others			<u>2,308</u>				
			778,779				
Transfer to other liabilities-others			<u>3,535</u>				
			<u>\$ 782,314</u>				

Note 1: The investee company is a limited company.

Note 2: It was liquidated in the fourth quarter of 2011.

(2) Long-term investments accounted for under the equity method were based on the unreviewed financial statements of the investees as of March 31, 2012 and 2011.

12) OTHER FINANCIAL ASSETS – NON-CURRENT

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Overdue receivables	\$ 236,762	\$ 386,578
Allowance for doubtful accounts	(236,762)	(352,659)
	<u>\$ -</u>	<u>\$ 33,919</u>

13) PROPERTY, PLANT AND EQUIPMENT, NET

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
<u>Cost</u>		
Land	\$ 2,700,614	\$ 1,799,720
Buildings	1,649,252	1,290,194
Machinery and equipment	82,600	83,019
Transportation equipment	27,802	33,384
Furniture and fixtures	489,613	506,569
Leasehold improvements	282,630	232,681
Other equipment	138,673	114,415
Prepayments for equipment	<u>68,724</u>	<u>4,497</u>
	<u>5,439,908</u>	<u>4,064,479</u>
<u>Accumulated depreciation</u>		
Buildings	(311,872)	(333,542)
Machinery and equipment	(46,790)	(44,198)
Transportation equipment	(19,488)	(23,692)
Furniture and fixtures	(288,747)	(315,125)
Leasehold improvements	(205,446)	(156,596)
Other equipment	<u>(85,928)</u>	<u>(65,074)</u>
	<u>(958,271)</u>	<u>(938,227)</u>
Accumulated impairment	<u>(24,363)</u>	<u>(54,970)</u>
	<u>\$ 4,457,274</u>	<u>\$ 3,071,282</u>

Please refer to Note 6 for details of pledged assets.

14) RENTAL FACILITIES, NET

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
<u>Cost</u>		
Land	\$ 37,167	\$ 41,479
Buildings	<u>105,905</u>	<u>106,846</u>
	143,072	148,325
<u>Accumulated depreciation</u>		
Buildings	(<u>35,216</u>)	(<u>30,510</u>)
	<u>\$ 107,856</u>	<u>\$ 117,815</u>

Please refer to Note 6 for details of pledged assets.

15) IMPAIRMENT LOSS

- (1) Details of impairment loss recognized for the three-month periods ended March 31, 2012 and 2011 are shown below:

	<u>Amount included in statements of income for the three-month periods ended March 31,</u>	
	<u>2012</u>	<u>2011</u>
Impairment loss - financial assets carried at cost - non-current	<u>\$ -</u>	<u>\$ 1,397</u>

- (2) The above impairment loss pertains to general assets.
(3) The Group recognized an impairment loss on assets since the book value was more than its recoverable amount. The Group used the net fair value as the recoverable amount since this is the best estimate at the balance sheet date.

16) SHORT-TERM LOANS

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Loan for overseas purchases	\$ 12,328,190	\$ 8,266,728
Short-term loans	<u>15,642,618</u>	<u>14,438,359</u>
	<u>\$ 27,970,808</u>	<u>\$ 22,705,087</u>
Annual interest rates	<u>0.79%~2.58%</u>	<u>0.80%~2.25%</u>

17) COMMERCIAL PAPERS PAYABLE

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Commercial paper payable	\$ 2,874,900	\$ 1,436,500
Less: Unamortized discount	(<u>1,494</u>)	(<u>541</u>)
	<u>\$ 2,873,406</u>	<u>\$ 1,435,959</u>
Annual interest rates	<u>0.78%~1.43%</u>	<u>0.55%~1.15%</u>

The commercial papers payable are guaranteed by financial institutions.

18) INCOME TAX

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

	<u>For the three-month periods ended March 31,</u>	
	<u>2012</u>	<u>2011</u>
Income tax expense	\$ 171,809	\$ 277,810
Add (Less):		
Prepaid income tax	(35,117)	(129,240)
Over (under) provision of prior year's income tax	36,871	(1,199)
Income tax payable of prior years	616,266	888,432
Change in deferred income tax	32,044	71,617
Change in consolidated entities	(24,205)	-
Others	(66,685)	(50,152)
Income tax payable - net	<u>\$ 730,983</u>	<u>\$ 1,057,268</u>
Other receivable - income tax refundable	(\$ 24,878)	\$ -
Income tax payable	<u>755,861</u>	<u>1,057,268</u>
	<u>\$ 730,983</u>	<u>\$ 1,057,268</u>

(2) Deferred income tax assets and liabilities as of March 31, 2012 and 2011 are as follows:

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Deferred income tax assets - current	\$ 278,365	\$ 188,348
Less: Valuation allowance	(40,765)	(16,221)
	<u>\$ 237,600</u>	<u>\$ 172,127</u>
Deferred income tax liabilities - non- current	\$ 283,165	(\$ 187,058)
Less: Valuation allowance	(472,272)	(49,309)
	<u>(\$ 189,107)</u>	<u>(\$ 236,367)</u>

(3)The temporary differences and related income tax effect are as follows:

	<u>March 31, 2012</u>	
	<u>Amount</u>	<u>Tax effect</u>
Current items:		
Temporary differences		
Unrealized allowance for inventory		
obsolescence	\$ 751,073	\$ 137,091
Unrealized sales discount	175,866	29,897
Unrealized exchange loss	65,066	12,239
Bad debts expense	211,534	36,249
Deferred gross loss	(7,859)	(1,341)
Unrealized expense	251,151	42,696
Unrealized financial assets	(1,058)	(180)
Others	52,241	14,596
Loss carryforwards	38,955	6,622
Investment tax credit		<u>496</u>
		278,365
Less: Valuation allowance		(<u>40,765</u>)
		<u>\$ 237,600</u>
Non-current items:		
Temporary differences		
Investment income	(\$ 1,520,253)	(\$ 258,443)
Investment loss	306,877	52,169
Impairment loss	43,401	7,378
Reserve for building increment	(140,617)	(23,905)
Amortization differences of intangible assets	(124,510)	(20,544)
Pension cost	114,550	19,473
Cumulative translation adjustments	143,156	24,337
Others	4,075	2,266
Loss carryforwards	1,486,499	<u>480,434</u>
		283,165
Less: Valuation allowance		(<u>472,272</u>)
		<u>(\$ 189,107)</u>

	<u>March 31, 2011</u>	
	<u>Amount</u>	<u>Tax effect</u>
Current items		
Temporary differences		
Unrealized allowance for inventory		
obsolescence	\$ 649,034	\$ 110,335
Unrealized sales discount	117,356	19,951
Unrealized exchange loss	20,350	3,459
Bad debts expense	260,617	44,305
Deferred gross loss	(10,209)	(1,747)
Unrealized expense	17,302	2,941
Unrealized financial assets	(370)	(62)
Others	26,341	7,577
Loss carryforwards	9,348	<u>1,589</u>
		188,348
Less: Valuation allowance		(<u>16,221</u>)
		<u>\$ 172,127</u>
Non-current items:		
Temporary differences		
Investment income	(\$ 1,264,205)	(\$ 214,915)
Investment loss	94,022	15,983
Impairment loss	55,292	9,400
Reserve for building increment	(140,617)	(23,905)
Amortization differences of intangible asset	(132,049)	(22,448)
Pension cost	95,088	16,165
Others	22,101	3,194
Loss carryforwards	173,339	<u>29,468</u>
		(187,058)
Less: Valuation allowance		(<u>49,309</u>)
		<u>(\$ 236,367)</u>

(4) Loss carryforwards of subsidiaries and indirect subsidiaries start to expire from 2015, and the financial year tax credits are due is 2021.

(5) Imputation tax information

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
A. Balance of the imputation tax credit account	<u>\$ 23,757</u>	<u>\$ 81,526</u>

	<u>2012 (Expected)</u>	<u>2011 (Actual)</u>
B. Creditable ratio	7.01%	10.61%
(6) Unappropriated retained earnings		
	<u>March 31, 2012</u>	<u>March 31, 2011</u>
On and after January 1, 1998		
-Not yet subjected to 10% additional tax	\$ 6,019,397	\$ 6,282,580
-Subjected to 10% additional tax	171,435	523,446
Total	<u>\$ 6,190,832</u>	<u>\$ 6,806,026</u>

(7) The Taiwan imputation tax system requires that any undistributed current earnings be subject to an additional 10% corporate income tax if the earnings are not distributed in the following year.

(8) As of March 31, 2012, the Company's income tax returns through 2006 have been assessed and approved by the Tax Authority.

19) CURRENT PORTION OF LONG-TERM LOANS

<u>Type</u>	<u>Facility</u>	<u>March 31, 2012</u>	<u>Period</u>	<u>Annual interest rate</u>
Medium to long-term loan (Bank of Taiwan)	\$ 3,000,000 (Note 1)	\$ 1,401,725	2009/12/08~ 2012/12/08	1.40%
Mortgage loan (Chang Hwa Bank)	134,800 (Note 2)	8,300	2007/10/01~ 2022/09/30	1.99%
Medium to long-term loan (Chang Hwa Bank)	40,000 (Note 3)	40,000	2010/06/18~ 2012/06/17	2.58%
Medium to long-term loan (Mega International Commercial Bank)	80,000 (Note 7)	30,000	2010/11/30~ 2013/11/30	2.29%
Medium to long-term loan (Taipei Fubon Bank etc.)	440,000 (Note 8)	125,714	2010/03/22~ 2015/03/22	2.02%
		<u>\$ 1,605,739</u>		

<u>Type</u>	<u>Facility</u>	<u>March 31, 2011</u>	<u>Period</u>	<u>Annual interest rate</u>
Medium to long-term loan (Chinatrust Bank)	\$ 2,600,000 (Note 1)	\$ 2,400,000	2008/09/25~ 2011/09/30	1.23%~1.24%
Medium to long-term loan (Hua Nan Bank)	82,850 (Note 4)	5,414	2001/05/22~ 2021/05/22	2.22%
Medium to long-term loan (Chang Hwa Bank)	14,470 (Note 5)	1,076	2004/12/09~ 2020/06/30	2.17%
Pledged loan (Yuanta Bank)	1,000,000 (Note 6)	360,000	2006/08/07~ 2011/08/07	3.00%
		<u>\$ 2,766,490</u>		

Note 1: Please refer to Note 4 20), Note 1.
 Note 2: Please refer to Note 4 20), Note 5.
 Note 3: Please refer to Note 4 20), Note 6.
 Note 4: Please refer to Note 4 20), Note 3.
 Note 5: Please refer to Note 4 20), Note 4.
 Note 6: Please refer to Note 4 20), Note 7.
 Note 7: Please refer to Note 4 20), Note 11.
 Note 8: Please refer to Note 4 20), Note 12.

20) LONG-TERM LOANS

Type	Facility	March 31, 2012	Period	Annual interest rate
Medium to long-term loan (Taiwan Cooperative Bank)	\$ 3,550,000 (Note 1)	\$ 2,600,000	2011/09/30~ 2014/09/30	1.50%
Medium to long-term loan (Bank of Taiwan)	3,000,000 (Note 1)	1,401,725	2009/12/08~ 2012/12/08	1.40%
Medium to long-term loan (E. Sun Bank)	1,800,000 (Note 2)	203,592	2011/03/14~ 2014/03/14	1.29%~1.48%
Mortgage loan (Chang Hwa Bank)	134,800 (Note 5)	110,667	2007/10/01~ 2022/09/30	1.99%
Medium to long-term loan (Chang Hwa Bank)	40,000 (Note 6)	40,000	2010/06/18~ 2012/06/17	2.58%
Medium to long-term loan (Chang Hwa Bank)	576,000 (Note 9)	576,000	2012/01/02~ 2027/01/02	Note 10
Credit loan (Mega International Commercial Bank and Taipei Fubon Bank)	1,000,000 (Note 8)	472,160	2012/02/13~ 2013/05/29	1.42%~1.44%
Mortgage loan (RESONA BANK)	89,799 (Note 13)	89,799	2012/03/30~ 2022/03/31	1.73%
Medium to long-term loan (Mega International Commercial Bank)	80,000 (Note 11)	52,500	2010/11/30~ 2013/11/30	2.29%
Medium to long-term loan (Taipei Fubon Bank, etc.)	440,000 (Note 12)	377,142	2010/03/22~ 2015/03/22	2.02%
		5,923,585		
Less: Current portion of long-term loans		(1,605,739)		
		<u>\$ 4,317,846</u>		

Type	Facility	March 31, 2011	Period	Annual interest rate
Medium to long-term loan (Chinatrust Bank)	\$2,600,000 (Note 1)	\$ 2,400,000	2008/09/25~ 2011/09/30	1.23%~1.24%
Medium to long-term loan (Bank of Taiwan)	3,000,000 (Note 1)	1,396,500	2009/12/08~ 2012/12/08	1.23%
Medium to long-term loan (E. Sun Bank)	1,800,000 (Note 2)	100,000	2011/03/14~ 2014/03/14	1.40%
Medium to long-term loan (Hwa Nan Bank)	82,850 (Note 3)	55,037	2001/05/22~ 2021/05/22	2.22%
Medium to long-term loan (Chang Hwa Bank)	14,470 (Note 4)	10,538	2004/12/09~ 2020/06/30	2.17%
Pledged loan (Yuanta Bank)	1,000,000 (Note 7)	360,000	2006/08/07~ 2011/08/07	3.00%
Credit loan (Mega International Commercial Bank and Taipei Fubon Bank)	1,000,000 (Note 8)	382,200	2010/05/12~ 2013/05/11	1.17%
		4,704,275		
Less: Current portion of long-term loans		(2,766,490)		
		\$ 1,937,785		

Note 1: (1) A revolving loan facility for World Peace Industrial Co., Ltd., the Company's subsidiary wherein the principal amount can be renewed after the corresponding interest is paid.

(2) The subsidiary - World Peace Industrial Co., Ltd. is required to maintain certain financial ratios during the contract period.

Note 2: Richpower Electronic Devices Co., Ltd., the Company's subsidiary, had entered into a long-term loan agreement with financial institutions on August 25, 2010. The terms and conditions of the contract were as follows:

- (1) Contract term: Within three years from the first drawdown.
- (2) The facility is \$1,800,000 and the first drawdown of the loan must be within six months from the contract signing date and the amount of drawdown must be no less than \$50,000 or USD1,500,000. If the amount of drawdown was in New Taiwan Dollars, the repayment period could be between 60 days and 180 days or other period agreed by the bank responsible for the revolving loan facility; if the amount of drawdown was in US Dollars, the repayment could be between two months and six months or other period agreed by the bank responsible for the revolving loan facility. If the drawdown is less than 50% of the facility, after nine months from the first drawdown date, the annual fees charged will be 0.15%.
- (3) For each drawdown, the principal of every drawdown must be repaid in full at the end of the term. If the amount of drawdown was in US Dollars, the repayment currency should be the same as the borrowed currency and it would be the responsibility of the borrower to acquire foreign exchange approvals and, if any, other required approvals for repayment in US Dollars. For re-utilization of the

revolving loan after maturity date, foreign transaction approvals or approvals from the banks are submitted to the lead bank. The lead bank shall notify the related banks which had participated in the syndicated loan.

- (4) Richpower Electronic Devices Co., Ltd. is required to maintain certain financial ratios based on the consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value should not be less than \$1,500,000.

Note 3: Pernas Electronics Co., Ltd., the Company's subsidiary, had entered into a long-term, fully secured, non-revolving loan agreement with a financial institution. The loan has a five-year grace period. Once the grace period expires, the principal should be repaid in equal monthly installments.

Note 4: Everwiner Enterprise Co., Ltd., the Company's indirect subsidiary, had entered into a long-term loan agreement with a financial institution. The loan has a two-year grace period. Once the grace period expires, the principal should be repaid in equal monthly installments.

Note 5: Lipers Enterprise Co., Ltd., the Company's indirect subsidiary, had entered into a long-term, non-revolving loan agreement with a financial institution. The principal should be repaid in equal monthly installments.

Note 6: Lipers Enterprise Co., Ltd., the Company's indirect subsidiary, had entered into a long-term loan agreement with a financial institution. According to the loan contract, the grace period is one year. Once the grace period expires, the principal should be repaid in equal monthly installments.

Note 7: Asia Information Technology Inc., the Company's subsidiary, had entered into a long-term loan agreement with a financial institution. The loan was paid in full on the maturity date in August 2011.

Note 8: Asian Information Technology Inc. and Frontek Technology Corporation, the Company's subsidiary and indirect subsidiary, had entered into a long-term loan agreement with financial institutions on March 4, 2010. The contract terms were as follows:

- (1) Contract term: Within three years from the first drawdown.
- (2) The facility is \$1,000,000, the first drawdown of the loan must be within six months from the contract signing date and the amount of drawdown must be no less than \$50,000 or USD1,500,000. If the amount of drawdown was in New Taiwan Dollars, the repayment period could be 60 days, 90 days or 180 days; if the amount of drawdown was in US Dollars, the repayment could be three months or six months.
- (3) According to the loan contract, for each drawdown, the maximum repayment term

is 180 days and the principal of every drawdown must be repaid in full at the end of the term. If the amount of drawdown was in US Dollars, the repayment currency should be the same as the borrowed currency and it would be the responsibility of the borrower to acquire foreign exchange approvals and, if any, other required approvals for repayment in US Dollars. For re-utilization of the revolving loan after maturity date, foreign currency transaction approvals or approvals from the banks are submitted to the lead bank, and the lead bank shall notify the related banks which had participated in the syndicated loan.

(4) According to the contract, Asian Information Technology Inc. and Frontek Technology Corporation are required to maintain certain financial ratios during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value should not be less than \$3,000,000.

Note 9: The Company had entered into a long-term agreement for a period of fifteen years with a financial institution. The pledged assets are the land and building of Linkou warehouse. The principal should be repaid in equal monthly installments since 2015.

Note 10: The interest rate is the index interest rate plus 0.21% from the borrowing day to January 2, 2013, plus 0.4% from January 2, 2013 and plus 1.5% from January 2, 2014.

Note 11: AECO Technology Inc. the Company's subsidiary, had entered into a long-term loan agreement with financial institution. The principal should be repaid in equal quarterly installments from the first drawdown of the loan.

Note 12: (1) AECO Technology Inc. the Company's subsidiary, had entered into a syndicated loan agreement with financial institutions on March 10, 2010. The facility is \$880,000 and the contract term is five years. The principal should be repaid in seven equal installments after 24 months of the first drawdown date.

(2) According to the contract, AECO Technology Inc. is required to maintain certain financial ratios based on the consolidated financial statements during the contract period as follows: liquidity ratio, debt ratio, net value and interest earned ratio.

Note 13: AIT Japan Inc., the Company's indirect subsidiary, had entered into a long-term loan agreement with financial institution. The facility was JPY 250,000,000 and first drawdown was on March 30, 2012. The principal should be repaid in equal monthly installments of JPY 2,191,000 from October 31, 2012 and the last monthly installment will be JPY 2,193,000.

21) ACCRUED PENSION LIABILITY

(1) The Company and certain ROC subsidiaries have a non-contributory and funded defined benefit pension plan in accordance with the "Labor Standards Law", covering all regular

employees before the implementation of the Labor Pension Act on July 1, 2005. Under the defined benefit plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter with a maximum of 45 units. Retirement benefits are based on the number of units accrued and the average monthly salaries and wages of the last six months prior to retirement. The Company and certain ROC subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan under the name of the independent retirement fund committee.

- (2) Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the "Regulations on pensions of managers", covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.
- (3) The balance of retirement fund deposited with Bank of Taiwan under the name of the independent retirement fund committee amounted to \$336,551 and \$276,123 as of March 31, 2012 and 2011, respectively.
- (4) Effective July 1, 2005, in accordance with the Labor Pension Act, the Company and certain ROC subsidiaries adopted a defined contribution pension plan (the "New Plan"). Under the New Plan, employees have the option to choose the New Plan and the Company and certain ROC subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts deposited with the Bureau of Labor Insurance. Pensions are paid by monthly installments or in lump sum based on the accumulated balances of the employees' individual pension accounts.
- (5) For the three-month periods ended March 31, 2012 and 2011, the pension costs of the Company and its subsidiaries were \$92,952 and \$79,082, respectively.

22) CAPITAL RESERVE

- (1) In accordance with the Business Mergers and Acquisitions Law, any undistributed retained earnings of a company acquired through a share exchange is absorbed by the acquiring company and recorded as capital surplus. Such capital surplus is not covered by the restrictions provided in Article 241(1) of the Company Law. Since the capital surplus did not result from the operations of the acquiring company, it shall not be used for directors' and employees' bonuses. As of March 31, 2012, the capital reserve which pertains to undistributed earnings of World Peace Industrial Co., Ltd. and Silicon Application Corporation amounted to \$2,569.
- (2) The R.O.C. Company Law requires that the capital reserve be exclusively used to offset accumulated deficit or increase capital or in whole or in part by distributing cash to its original shareholders in proportion to the number of shares being held, and shall not be used for any other purpose. The capital reserve is used to offset accumulated deficit only when

the legal reserve and special reserve are not sufficient. Only capital reserve from paid-in capital in excess of par value and donations can be used to increase capital and the total amount is limited to 10% of outstanding capital each year.

- (3) Pursuant to a resolution approved in the stockholders' meeting on June 22, 2011, the Company approved to distribute \$653,883 cash dividend from the capital reserve which pertains to undistributed earnings of Yosun Industrial Corp. according to the Business Mergers and Acquisitions Law. The total undistributed earnings (net of legal reserve) was \$733,856 (recorded as "capital reserve-common stock share premium").

23) LEGAL RESERVE, SPECIAL RESERVE AND UNDISTRIBUTED EARNINGS

- (1) As stipulated in the Company's Articles of Incorporation, the Company should set aside a certain amount as special reserve if necessary, and the remaining current year's earnings, if any, shall be distributed in the following order:
- A. Directors' and supervisors' remuneration: up to 3% of the earnings;
 - B. 0.01% ~ 5% of the earnings is appropriated as employees' bonuses; and
 - C. The remaining earnings may be declared as dividends. At least 20% of the total dividends shall be in the form of cash dividends.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

- (2) Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

- (3) Details of unallocated net income are set forth as follows:

A. Pursuant to a resolution approved in the stockholders' meeting on June 22, 2011, the Company made the following appropriations of 2010 net income:

- a) Legal reserve of \$496,496;
- b) Special reserve of \$2,422,906; and
- c) Cash dividends of \$2,397,571 or a dividend of \$1.65 (in dollars) per share.

The abovementioned appropriations were the same with that approved by the Board of Directors.

B. Pursuant to a resolution approved in the board of directors' meeting on April 24, 2012, the Company made the following appropriations of 2011 net income:

- a) Legal reserve of \$508,043;
- b) Reversal of special reserve of \$1,243,482; and
- c) Cash dividends of \$4,304,844 or a dividend of \$2.6 (in dollars) per share.

However, the abovementioned appropriations were not yet approved by the Board of Directors as of the report date.

- C. With regard to the appropriations of 2011 net income, employees' bonuses and directors' and supervisors' remuneration, as approved by the Board of Directors in 2012, amounted to \$41,000 and \$36,000, respectively. The amounts were consistent with the amounts charged against earnings in 2011. However, the abovementioned appropriations were not approved by the stockholders yet.
- D. With regard to the appropriations of 2010 net income, employees' bonuses and directors' and supervisors' remuneration, as approved by the Board of Directors and stockholders in 2011, amounted to \$35,000 and \$33,000, respectively. The amounts approved during the stockholders' meeting were consistent with the amounts charged against earnings in 2010.
- E. The employees' bonuses are \$10,800 and \$9,300 and directors' and supervisors' remuneration are \$10,000 and \$9,000 for the three-month periods ended March 31, 2012 and 2011, respectively. The estimated employees' bonus and directors' and supervisors' remuneration are based on a certain percentage (prescribed by the Company's Articles of Incorporation) of net income in current period after taking into account the legal reserve and other factors.
- F. The distribution information mentioned in A~D will be posted in the "Market Observation Post System" of the Taiwan Stock Exchange Corporation.

24) EARNINGS PER SHARE

	For the three-month period ended March 31, 2012				
	Amount		Weighted-average number of outstanding common shares (In thousands of shares)	Earnings per share (in dollars)	
	Before income tax	After income tax		Before income tax	After income tax
Basic earnings per share:					
Net income of common stockholders	\$1,110,773	\$ 938,964	1,608,330	<u>\$ 0.69</u>	<u>\$ 0.58</u>
Dilutive effect:					
Employees' bonus	-	-	312		
Diluted earnings per share:					
Net income of common stockholders	<u>\$1,110,773</u>	<u>\$ 938,964</u>	<u>1,608,642</u>	<u>\$ 0.69</u>	<u>\$ 0.58</u>

	For the three-month period ended March 31, 2011				
	Amount		Weighted-average number of outstanding common shares (In thousands of shares) (Note)	Earnings per share (in dollars)	
	Before income tax	After income tax		Before income tax	After income tax
Basic earnings per share:					
Net income of common stockholders	\$1,595,429	\$1,317,618	1,583,850	\$ 1.01	\$ 0.83
Dilutive effect:					
Employees' bonus	-	-	266		
Diluted earnings per share:					
Net income of common stockholders	<u>\$1,595,429</u>	<u>\$1,317,618</u>	<u>1,584,116</u>	<u>\$ 1.01</u>	<u>\$ 0.83</u>

Note: Weighted-average number of outstanding common shares had been retroactively adjusted as a result of stock dividends approved during the stockholders' meeting.

Effective January 1, 2008, as employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include the estimated shares that would increase from employees' stock bonus issuance in the computation of the weighted-average number of common shares outstanding during the reporting period, taking into account the dilutive effects of stock bonus on potential common shares; whereas, basic EPS shall be calculated based on the weighted-average number of common shares outstanding during the reporting period that include the shares of employees' stock bonus for the appropriation of prior year earnings, which have already been resolved at the stockholders' meeting held in the reporting period. Since capitalization of employees' bonus no longer belongs to distribution of stock dividends, the calculation of basic EPS and diluted EPS for all periods presented shall not be adjusted retroactively.

25) PERSONNEL EXPENSES, DEPRECIATION AND AMORTIZATION

	For the three-month periods ended March 31,	
	2012	2011
Personnel expenses		
Salaries	\$ 1,601,046	\$ 1,595,761
Labor and medical insurances	70,164	66,497
Pension	92,952	79,082
Others	71,253	59,697
	<u>\$ 1,835,415</u>	<u>\$ 1,801,037</u>
Depreciation (including rental facilities)	\$ 59,983	\$ 51,227
Amortization	23,720	18,748
	<u>\$ 83,703</u>	<u>\$ 69,975</u>

5. RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Genuine C&C, Inc. (Genuine)	Same chairman
P.T. WPG Electrindo Jaya (WPG PT)	Investor of indirect subsidiary which accounted for under the equity method

2) Significant related party transactions

(1)Sales

	<u>For the three-month periods ended March 31,</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Amount</u>	<u>Percentage of consolidated net sales</u>	<u>Amount</u>	<u>Percentage of consolidated net sales</u>
WPG PT	\$ 265,916	-	\$ -	-
Genuine	33,922	-	39,500	-
Others	12,116	-	27,180	-
	<u>\$ 311,954</u>	<u>-</u>	<u>\$ 66,680</u>	<u>-</u>

The terms and sales prices of the subsidiary - World Peace Industrial Co., Ltd. with its related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 30 to 75 days. The other subsidiaries deal with its related parties based on general terms and sales prices.

(2)Accounts receivable

	<u>March 31,</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Amount</u>	<u>Percentage of accounts receivable</u>	<u>Amount</u>	<u>Percentage of accounts receivable</u>
WPG PT	\$ 113,035	-	\$ -	-
Genuine	12,786	-	17,592	-
Others	3,809	-	26,492	-
	<u>\$ 129,630</u>	<u>-</u>	<u>\$ 44,084</u>	<u>-</u>

3) Related party transactions in excess of \$100,000 of significant subsidiaries (transactions with subsidiaries were eliminated when preparing consolidated financial statements)

(1)The related party transactions in excess of \$100,000 of the significant subsidiary - World Peace Industrial Co., Ltd. ("WPI") were as follows:

A. Names of the related parties and their relationship with the company for related party transactions in excess of \$100,000

Names of related parties	Relationship with World Peace Industrial Co., Ltd.
WPG Holdings Limited (WPGH)	Parent company
WPI International (HK) Limited (WPI- Int'l (HK))	Indirect subsidiary
Gain Tune Ltd. (GT)	"
Long View Technology Inc. (Long View)	"
World Peace International (China) Limited (World Peace (China))	"
Genuine C&C (South Asia) Pte., Ltd. (GCC (SA))	"
WPI International Trading (Shanghai) Ltd. (WPI Int'l - SH)	"
WPG Americas Inc. (WPG Americas)	Same ultimate parent company
Frontek Technology Corporation (Frontek)	"

B. Significant related party transactions in excess of \$100,000

a. Sales

	For the three-month periods ended March 31,			
	2012		2011	
	Amount	Percentage of net sales of subsidiary	Amount	Percentage of net sales of subsidiary
WPI Int'l (HK)	\$ 1,908,263	13	\$ 1,104,373	7
GT	212,903	1	167,091	1
World Peace (China)	25,209	-	160,773	1
	<u>\$ 2,146,375</u>	<u>14</u>	<u>\$ 1,432,237</u>	<u>9</u>

The terms and sales prices were negotiated in consideration of factors including product, cost, market, competition and other conditions. The collection period for related parties was 60 days.

b. Purchases

	For the three-month periods ended March 31,			
	2012		2011	
	Amount	Percentage of net purchases of subsidiary	Amount	Percentage of net purchases of subsidiary
WPI Int'l (HK)	\$ 343,803	2	\$ 602,860	3
Long View	107,461	1	124,313	1
GT	61,622	-	142,095	1
Frontek	61,324	-	102,546	-
	<u>\$ 574,210</u>	<u>3</u>	<u>\$ 971,814</u>	<u>5</u>

The purchase terms and prices were negotiated in consideration of factors including product, cost, market, competition and other conditions. The payment period for related

parties was 30 to 60 days.

c. Accounts receivable

	March 31,			
	2012		2011	
	Amount	Percentage of accounts receivable of subsidiary	Amount	Percentage of accounts receivable of subsidiary
WPI Int'l (HK)	\$ 1,238,896	11	\$ 699,940	6
GT	150,108	1	96,531	1
World Peace (China)	15,437	-	148,975	1
	<u>\$ 1,404,441</u>	<u>12</u>	<u>\$ 945,446</u>	<u>8</u>

d. Other receivables - financing activities

There is no financing activity for the three-month period ended March 31, 2012.

	For the three-month period ended March 31, 2011				
	Maximum balance	Ending balance	Interest rate	Interest income	Interest receivable
WPG Americas	\$ 147,000	\$ 147,000	1.95%~ 1.98%	\$ 718	\$ 1,079

f. Accounts payable

	March 31,			
	2012		2011	
	Amount	Percentage of accounts payable of subsidiary	Amount	Percentage of accounts payable of subsidiary
WPI Int'l (HK)	\$ 175,321	3	\$ 304,314	5

f. Other payables (payment arising from filing consolidated income tax returns under the consolidated income tax return system and receipts under custody)

	March 31,			
	2012		2011	
	Amount	Percentage of other payables of subsidiary	Amount	Percentage of other payables of subsidiary
WPGH	\$ 106,269	35	\$ 182,239	23

g. Commitments

World Peace Industrial Co., Ltd. has provided guarantees relating to the credit lines and

purchase transactions of certain subsidiaries as shown below:

	March 31,			
	2012		2011	
	<u>(in thousands of dollars)</u>		<u>(in thousands of dollars)</u>	
GCC(SA)	USD	22,000	USD	22,000
WPI Int'l - SH	USD	12,425	USD	9,425

(2)The related party transactions in excess of \$100,000 of the significant subsidiary – Silicon Application Corporation were as follows:

A. Names of the related parties and their relationship with the company for related party transactions in excess of \$100,000

<u>Names of related parties</u>	<u>Relationship with Silicon Application Corporation</u>
WPG Holdings Limited (WPGH)	Parent company
WPG Electronics (HK) Limited (WPG EL (HK))	Affiliated company
Everwiner Enterprise Co., Ltd. (EE)	"
Silicon Application (BVI) Corp. (SAC (BVI))	Subsidiary
Silicon Application Company Limited (SACL)	Indirect subsidiary

B. Significant related party transactions in excess of \$100,000

a. Sales

	For the three-month periods ended March 31,			
	2012		2011	
	<u>Amount</u>	<u>Percentage of net sales of subsidiary</u>	<u>Amount</u>	<u>Percentage of net sales of subsidiary</u>
WPG EL (HK)	\$ 262,170	6	\$ 234,030	6

The term and sales prices were the same with third parties.

b. Purchases

	For the three-month periods ended March 31,			
	2012		2011	
	<u>Amount</u>	<u>Percentage of net purchases of subsidiary</u>	<u>Amount</u>	<u>Percentage of net purchases of subsidiary</u>
SACL	\$ 202,473	5	\$ 41,270	1

The term and purchase prices were negotiated with the related party.

c. Accounts receivable

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
--	-----------------------	-----------------------

	<u>Amount</u>	Percentage of accounts receivable of subsidiary	<u>Amount</u>	Percentage of accounts receivable of subsidiary
WPG EL (HK)	\$ 313,549	8	\$ 272,700	8

d. Other receivables - Financing activities

There is no financing activity in excess of \$100,000 for the three-month period ended March 31, 2012.

	<u>For the three-month period ended March 31, 2011</u>				
	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Interest rate</u>	<u>Interest income</u>	<u>Interest receivable</u>
WPGH	\$ 300,000	\$ 300,000	1.45%	\$ 1,073	\$ 1,180
EE	150,000	-	1.55%	338	-
	<u>\$ 450,000</u>	<u>\$ 300,000</u>		<u>\$ 1,411</u>	<u>\$ 1,180</u>

e. Other payables - Financing activities

	<u>For the three-month period ended March 31, 2012</u>				
	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Interest rate</u>	<u>Interest expense</u>	<u>Interest payable</u>
SAC (BVI)	\$ 280,345	\$ 280,345	1.5%	\$ 1,070	\$ 1,672

	<u>For the three-month period ended March 31, 2011</u>				
	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Interest rate</u>	<u>Interest expense</u>	<u>Interest payable</u>
SAC (BVI)	\$ 297,400	\$ 294,000	1.10%	\$ 806	\$ 2,514

f. Commitments

Silicon Application Corporation has provided guarantees relating to the credit lines and purchase transactions of certain subsidiary as shown below:

	<u>March 31, 2012</u>	<u>March 31, 2011</u>
	<u>(in thousands of dollars)</u>	<u>(in thousands of dollars)</u>
SACL	USD 52,000	USD 52,000

(3) The related party transactions in excess of \$100,000 of the significant subsidiary – Yosun Industrial Corp. were as follows:

A. Names of the related parties and their relationship with the company for related party transactions in excess of \$100,000

<u>Names of related parties</u>	<u>Relationship with Yosun Industrial Corp.</u>
_____	_____

<u>Names of related parties</u>	<u>Relationship with Yosun Industrial Corp.</u>
Sertek Incorporated (Sertek)	Subsidiary
Yosun Hong Kong Corp. Ltd. (Yosun-H.K.)	Indirect subsidiary
Yosun Singapore Pte Ltd. (Yosun Singapore)	"
Sertek Limited (Sertek-H.K.)	"
Sunwise Technology Ltd. (Sunwise)	"
Giatek Corp. Ltd. (Giatek)	"

B. Significant related party transactions in excess of \$100,000

Effective November 15, 2010, the Company acquired 100% equity of Yosun Industrial Corp. by exchanging shares of common stock. The Company disclosed the related party transactions only for the three-month period ended March 31, 2012 since the Company identified Yosun Industrial Corp. as a significant subsidiary in the third quarter of 2011.

a. Sales

	<u>For the three-month period ended March 31, 2012</u>	
	<u>Amount</u>	<u>Percentage of net sales of subsidiary</u>
Sertek-H.K.	\$ 493,190	7
Yosun-H.K.	444,191	6
Sertek	219,500	3
	<u>\$ 1,156,881</u>	<u>16</u>

The terms and sales prices were based on cost plus a determined gross profit. The collection period was the same with third parties.

b. Purchases

	<u>For the three-month period ended March 31, 2012</u>	
	<u>Amount</u>	<u>Percentage of net purchases of subsidiary</u>
Yosun-H.K.	\$ 324,532	5

The term and purchase prices were based on cost plus a determined gross profit. The payment period was the same with third parties.

c. Accounts receivable

	<u>March 31, 2012</u>	
	<u>Amount</u>	<u>Percentage of accounts receivable of subsidiary</u>
Yosun-H.K.	\$ 1,307,295	22
Sertek-H.K.	109,400	2
	<u>\$ 1,416,695</u>	<u>24</u>

d. Commitments

Yosun has provided guarantees relating to the credit lines and purchase transactions of certain subsidiaries as shown below:

	<u>March 31, 2012</u> <u>(in thousands of dollars)</u>	
Yosun-H.K.	USD	18,100
Yosun Singapore	USD	10,800
	\$	120,000
Sertek	USD	40,000
	\$	80,000
Giatek	USD	34,100
	HKD	16,000
Sunwise	USD	2,500
	HKD	40,000

(4)The related party transactions in excess of \$100,000 for the significant subsidiary - WPI (BVI): None.

6. PLEDGED ASSETS

As of March 31, 2012 and 2011, the details of pledged assets were as follows:

<u>Assets (Note 1)</u>	<u>March 31, 2012</u>	<u>Purpose of Collateral</u>
Other financial assets - current		
-Bank deposits	\$ 883,259	Short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation and factoring
-Time deposits	1,883,410	Short-term loans, import loan, security for import, guarantee for customs, deposits for litigation and factoring
-Repurchase commercial papers	8,979	Guarantee for commercial papers payable
Financial assets carried at cost - non-current (Note 2)	28,615	Security for purchases
Land (including rental facilities)	1,333,000	Long-term and short-term loans, import loans and security for purchases
Buildings (including rental facilities)	<u>875,277</u>	"
	<u>\$ 5,012,540</u>	

Assets	March 31, 2011	Purpose of Collateral
Other financial assets - current		
-Bank deposits	\$ 398,513	Short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation and factoring
-Time deposits	2,340,892	Short-term loans, import loans, security for purchases, guarantee for customs and factoring
-Repurchase commercial papers	8,021	Guarantee for commercial papers payable
Financial assets carried at cost - non-current (Note 2)	30,700	Security for purchases
Land (including rental facilities)	429,193	Long-term and short-term loans, import loans and security for purchases
Buildings (including rental facilities)	<u>460,501</u>	"
	<u>\$ 3,667,820</u>	

Note 1: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases as of March 31, 2012.

Note 2: There are 1,850 thousand shares and 1,133 thousand shares of Kingpak Technology Inc. and Kingmac Technology Inc., which have been pledged for purchases as of March 31, 2012 and 2011, respectively.

7. COMMITMENTS AND CONTINGENT LIABILITIES

In addition to Notes 5 3) (1) ~ (3), other commitments were as follows:

- 1) As of March 31, 2012, the Group has future rental and future software maintenance expense commitments which were discounted at 1.355%, the one-year time deposit interest rate given by Bank of Taiwan, as follows:

Payment Period	Amount
2012 second quarter~2016	\$ 318,245
2017 (The present value of \$96)	<u>105</u>
	<u>\$ 318,350</u>

- 2) As of March 31, 2012, the subsidiaries have letters of credit issued but not negotiated amounting to \$1,598,759 and USD57,297 thousand for purchases.
- 3) In 2007, COMTREND CORPORATION filed with the court for execution of a provisional seizure of \$13,236 in bank deposits of Pernas Electronics Co., Ltd., a subsidiary of the Company, alleging that the goods of Pernas Electronics Co., Ltd. sold in 2006 did not work. In July 2007, Pernas Electronics Co., Ltd. offered a counter guarantee to rescind the provisional seizure. In August 2007, COMTREND CORPORATION filed for a provisional seizure of \$6,671 in bank deposits of Pernas Electronics Co., Ltd. for the second time. Again, Pernas Electronics Co., Ltd. offered a counter guarantee to rescind the provisional seizure in October 2007. In October 2008, Taiwan Banciao District Court rendered a judgment to rescind the

provisional seizure filed in August 2007 by COMTREND CORPORATION. The Taiwan Taipei District Court rendered a judgement that Pernas Electronics Co., Ltd. needed to pay \$20,901, interests with 5% annual interest rate and litigation fees of \$548 on May 13, 2011. Pernas Electronics Co., Ltd. had filed an appeal with the Taiwan High Court, but the litigation is still pending as of the report date.

- 4) The Board of Directors of the Company approved to invest in the fund of Ability I Venture Capital Corporation under the limit of \$80,000. As of March 31, 2012, the Company had paid \$40,000 which was booked as “financial assets carried at cost - non-current”.
- 5) The Board of Directors of a subsidiary of the Company, WPG Investment Co., Ltd. approved to invest in the fund of Ability I Venture Capital Corporation under the limit of \$20,000. As of March 31, 2012, the subsidiary had paid \$10,000 which was booked as “financial assets carried at cost - non-current”.

8. SIGNIFICANT CATASTROPHE

None.

9. SUBSEQUENT EVENT

In addition to Note 4 23) (3) b, other information was as follows:

Long View Technology Inc. (Long View), an indirect subsidiary of the Company, entered into a share purchase agreement with Long Think Enterprise Co., Ltd. (Long Think) on April 11, 2012, whereby Long View will acquire 100% ownership of Long Think. Under the agreement, the effective date of acquisition is July 1, 2012.

10. OTHERS

1) Financial statement presentation

Certain accounts in the March 31, 2011 consolidated financial statements were reclassified to conform with the March 31, 2012 consolidated financial statement presentation.

2) Fair values of the financial instruments:

Financial instruments	March 31, 2012			March 31, 2011		
	Book value	Fair value		Book value	Fair value	
		Quotations in an active market	Estimated value		Quotations in an active market	Estimated value
Non-derivative financial instruments						
Assets:						
Financial assets with book value equal to fair value	\$ 65,109,172	\$ -	\$ 65,109,172	\$ 57,495,469	\$ -	\$ 57,495,469
Financial assets at fair value through profit or loss	188,198	188,198	-	250,816	250,816	-
Available-for-sale financial assets - current	17,686	17,686	-	24,779	24,779	-
Available-for-sale financial assets - non-current	196,189	196,189	-	202,573	202,573	-
Held-to-maturity financial assets - non-current	5,000	-	5,000	5,000	-	5,000
Deposits-out	487,910	-	487,910	230,771	-	230,771
Financial assets carried at cost	489,783	-	-	312,597	-	-
Other financial assets - non-current	-	-	-	33,919	-	33,919
Liabilities:						
Financial liabilities with book value equal to fair value	69,281,878	-	69,281,878	61,366,058	-	61,366,058
Deposits-in (recorded as "other liabilities - others")	12,639	-	12,639	1,403	-	1,403
Long-term interest-bearing liabilities (including current portion)	5,923,585	-	5,923,585	4,704,275	-	4,704,275

<u>Financial instruments</u>	<u>March 31, 2012</u>			<u>March 31, 2011</u>		
	<u>Book value</u>	<u>Fair value</u>		<u>Book value</u>	<u>Fair value</u>	
		<u>Quotations in an active market</u>	<u>Estimated value</u>		<u>Quotations in an active market</u>	<u>Estimated value</u>
<u>Non-derivative financial instruments</u>	<u>Book value</u>	<u>Quotations in an active market</u>	<u>Estimated value</u>	<u>Book value</u>	<u>Quotations in an active market</u>	<u>Estimated value</u>
Assets:						
Financial assets at fair value through profit or loss - Forward currency contracts and forward exchange contracts	\$ 2,614	\$ -	\$ 2,614	\$ 1,597	\$ -	\$ 1,597
Liabilities:						
Financial liabilities at fair value through profit or loss - Forward currency contracts and forward exchange contracts	325	-	325	1,004	-	1,004

The related assumptions regarding the fair value of financial instruments are as follows:

- (1) 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 (including related parties), other receivables (excluding income tax refundable), other financial assets - current, short-term loans, commercial papers payable, notes and accounts payable, accrued expenses, other payables and other current liabilities.
 - (2) The fair values of listed stocks and open-end mutual funds which were recognized as financial assets at fair value through profit or loss are based on the quotations in the active market, which are the latest quoted closing prices or the net asset value at the balance sheet date.
 - (3) The fair values of available-for-sale financial assets are based on the quotations in the active market, which are the latest quoted closing prices at the balance sheet date.
 - (4) The fair value of held-to-maturity financial assets is based on book value since the discount rate of present value has no significant effect. The book value is approximate to the present value.
 - (5) Other financial assets - non-current represents overdue receivables. The book value is approximate to the fair value.
 - (6) The fair values of deposits-out and deposits-in are based on book values, which approximate fair value.
 - (7) As floating interest rates are adopted for most of the long-term loans, their fair value is based on their book value.
 - (8) The fair values of derivative financial instruments which include unrealized gains or losses on unsettled contracts were determined based upon the amounts to be received or paid assuming that the contracts were settled as of the reporting date. The information on fair values were provided by financial institutions.
- 3) As of March 31, 2012 and 2011, the financial assets with fair value risk due to the change of interest rate amounted to \$2,909,659 and \$3,637,849, respectively, and the financial liabilities are \$20,874,731 and \$12,678,566, respectively, financial assets with cash flow risk due to the change of interest rate amounted to \$114,073 and \$453,100, respectively, and the financial liabilities are \$15,893,068 and \$16,166,755, respectively.

- 4) The Group recognized the adjustment in equity from available-for-sale financial assets amounting to \$28,466 and \$51,677, and the amount removed from equity and recognized in profit or loss was \$14,726 and (\$51,227) for the three-month periods ended March 31, 2012 and 2011, respectively.
- 5) Strategies of financial risk control and hedging
 - (1) Being a holding company, the Company uses the following procedures to implement financial risk management for its subsidiaries effectively and efficiently:
 - A. Subsidiaries shall establish risk management strategies for the identified risks, including currency risk, interest rate risk and credit risk, and report them to management.
 - B. Subsidiaries shall write a report on the results of their hedging activities and submit it to the board of directors on a monthly basis.
 - C. The Company's internal audit department shall review subsidiaries' controls over derivative product transactions regularly, and report on their appropriateness to the board of directors.
 - D. According to the "Process of acquisition and disposal of assets" of the Company, the Group could only enter into derivative transaction contracts which fulfill financial hedging purpose.
 - (2) Strategies of financial risk control and hedging of subsidiaries
 - A. Adopt the total risk management and control system in order to identify all risks of the subsidiary (including market risk, credit risk, liquidity risk, and cash flow risk), and help management to control and evaluate these risks effectively.
 - B. The purpose of market risk management is to manage all the market risks taking into consideration the economic environment, competition, and market value risk.
 - C. The subsidiaries' hedging strategy is to concentrate on market value and cash flow risks.
 - D. To decrease the fair value from currency exchange rate volatility, the subsidiaries entered into forward foreign currency contracts and currencies swap to avoid fluctuations in exchange rates.
- 6) Information of material financial risk
 - (1) Investment in equity-type financial instruments: Includes financial assets at fair value through profit or loss, available-for-sale financial assets, and financial assets carried at cost.

A. Market risk

Investments by the Group in equity-type financial instruments are affected by changes in market prices. However, the Group can monitor market-induced changes and establish stop-loss points when appropriate, so anticipated market risk is low. Equity-type financial instruments without active market are not affected by market price, therefore, there is no market risk.

B. Credit risk

As long as the Group places transaction orders with centralized exchanges and over-the-counter trading centers, or trades with trading counterparties whose credit ratings are good, the trading counterparty is not expected to default, so the probability of credit risk is low.

C. Liquidity risk

The Group anticipates that investments in equity-type financial instruments with active market will be sold at a price similar to fair value; where there is no active market, there is liquidity risk.

D. Cash flow risk of interest changes

Investments by the Group in equity-type financial instruments do not belong to interest products, so there is no cash flow risk of interest changes.

- (2) Receivables: Includes notes receivable, accounts receivable (including related parties), and other receivables.

A. Market risk

The receivables of the Group are due within a year, so anticipated market risk is low.

B. Credit risk

The debtors of the Group have good credit ratings, so anticipated credit risk is low.

C. Liquidity risk

The receivables of the Group are due within a year, so anticipated liquidity risk is low.

D. Cash flow risk of interest changes

The receivables of the Group are due within a year, so anticipated cash flow risk of interest change is low.

- (3) Loans: Includes short-term loans, commercial papers payable and long-term loans (including current portion of long-term loans)

A. Market risk

The fair value of certain loans with fixed-rate are short-term loans, so anticipated market risk is low.

B. Credit risk

No credit risk.

C. Liquidity risk

The operating capital of subsidiaries is sufficient for its working capital, so anticipated liquidity risk is low.

D. Cash flow risk of interest changes

For those loans with floating interest rate, the interest of financial instruments changes following the market interest, so the cash flow in the future will change.

(4) Derivative instruments

Please refer to Notes 4 2) and 11 2) (10) for details of derivative instruments transaction. Related risks are as follows:

A. Market risk

The subsidiaries entered into derivative financial instruments contracts in order to hedge the risk of foreign exchange losses. The market risk as a result of currency fluctuation is offset by the exchange gains or losses from the assets or liabilities being hedged.

B. Credit risk

All derivative financial instruments were purchased from reputable international financial institutions. Thus, the risk is low for these financial institutions to default on the contract.

C. Liquidity risk

The operating capital of subsidiaries is sufficient for its working capital, so anticipated current risk is low.

D. Cash flow risk of interest changes

Investments by subsidiaries in financial instruments do not belong to interest products, so there is no cash flow risk of interest changes.

(5) Exchange rate

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

	<u>March 31, 2012</u>		<u>March 31, 2011</u>	
	Foreign currency amount <u>(In thousands)</u>	Exchange rate	Foreign currency amount <u>(In thousands)</u>	Exchange rate
Foreign currency: Functional currency				
<u>Financial Assets</u>				
<u>Monetary items</u>				
USD:TWD	\$ 538,979	29.51	\$ 584,511	29.40
USD:RMB	1,697	6.30	3,745	6.52
USD:HKD	133,390	7.76	76,704	7.78
USD:JPY	6,501	82.15	11,727	82.82
RMB:HKD	208,067	1.23	162,195	1.19
RMB:TWD	16,543	4.68	16,719	4.51
RMB:USD	130,101	0.16	125,668	0.15
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
USD:TWD	688,394	29.51	574,207	29.40
USD:RMB	3,546	6.30	3,756	6.52
USD:HKD	182,897	7.76	28,319	7.78
RMB:USD	32,194	0.16	19,952	0.15
RMB:HKD	35,019	1.23	-	-

7) Business combination

- To integrate the electronic component distribution industry and enhance the Group's competitiveness, the Company absorbed Aeeco Technology Co., Ltd. through share swap on March 1, 2012, as approved by the Board of Directors on October 4, 2011, and issued 71,859 thousand shares. The transaction was recognized using purchase method accounting. The difference between purchase price and the fair value of identified net assets amounted to \$609,521, and the related purchase price allocation is still under process.
- For the business activities of Aeeco Technology Inc., please refer to Note 11. 2) (1).
- Pro forma supplemental information is as follows:
Effective March 1, 2012, the operating results of Aeeco Technology Inc. were included in the consolidated statement of income of WPG Holdings Limited, and pro forma supplemental information was prepared under the assumption that the Company had acquired Aeeco Technology Inc. since January 1, 2011.

WPG HOLDINGS LIMITED
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
(UNAUDITED)

	<u>For the three-month periods ended March 31,</u>			
	<u>2012</u>		<u>2011</u>	
Operating revenues				
Sales revenue	\$	81,560,113	\$	81,604,276
Commission revenue		<u>56,138</u>		<u>34,636</u>
Total operating revenues		81,616,251		81,638,912
Operating costs				
Cost of goods sold		<u>(77,516,146)</u>		<u>(77,112,457)</u>
Gross profit		4,100,105		4,526,455
Operating expenses		<u>(3,055,078)</u>		<u>(2,857,556)</u>
Operating income		1,045,027		1,668,899
Non-operating income		80,329		191,613
Non-operating expenses		<u>(254,349)</u>		<u>(209,235)</u>
Income before income tax		871,007		1,651,277
Income tax expense		<u>(193,073)</u>		<u>(283,822)</u>
Consolidated net income	\$	<u>677,934</u>	\$	<u>1,367,455</u>
Attributable to:				
Equity holders of the Company	\$	687,089	\$	1,363,192
Minority interest		<u>(9,155)</u>		<u>4,263</u>
	\$	<u>677,934</u>	\$	<u>1,367,455</u>
		<u>Before tax</u>	<u>After tax</u>	<u>Before tax</u>
				<u>After tax</u>
Basic earnings per share (In dollars)				
Net income from operations	\$	0.53	\$	0.41
Minority interest		<u>-</u>		<u>-</u>
Net income	\$	<u>0.53</u>	\$	<u>0.82</u>
Diluted earnings per share (In dollars)				
Net income from operations	\$	0.53	\$	0.41
Minority interest		<u>-</u>		<u>-</u>
Net income	\$	<u>0.53</u>	\$	<u>0.82</u>

8) Condensed balance sheet and statements of income of significant subsidiary

(1) World Peace Industrial Co., Ltd.

World Peace Industrial Co., Ltd.

Condensed Balance Sheets

March 31, 2012 and 2011

<u>Assets</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities and Stockholder's Equity</u>	<u>2012</u>	<u>2011</u>
Current assets	\$ 19,350,696	\$ 19,460,797	Current liabilities	\$ 14,553,037	\$ 15,489,567
Funds and long- term investments	9,880,872	8,047,931	Long-term liabilities	2,600,000	1,396,500
Property, plant and equipment, net	725,535	743,607	Other liabilities	<u>171,238</u>	<u>167,000</u>
Intangible assets			Total liabilities	<u>17,324,275</u>	<u>17,053,067</u>
and other assets	<u>96,991</u>	<u>86,532</u>	Common stock	6,290,000	5,096,000
			Capital reserve	3,598,374	3,168,216
			Retained earnings	4,135,904	4,391,892
			Other adjustments to stockholder's equity	<u>(1,294,459)</u>	<u>(1,370,308)</u>
			Total stockholder's equity	<u>12,729,819</u>	<u>11,285,800</u>
Total assets	<u>\$ 30,054,094</u>	<u>\$ 28,338,867</u>	Total liabilities and stockholder's equity	<u>\$ 30,054,094</u>	<u>\$ 28,338,867</u>

World Peace Industrial Co., Ltd.

Condensed Statements of Income

For The Three-Month Periods Ended March 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenue	\$ 15,104,171	\$ 16,211,933
Operating costs	(14,513,300)	(15,476,162)
Unrealized intercompany loss	7,319	16,234
Realized intercompany loss	<u>(1,990)</u>	<u>(11,420)</u>
Gross profit	596,200	740,585
Operating expenses	<u>(434,180)</u>	<u>(426,005)</u>
Operating income	162,020	314,580
Non-operating income	368,216	427,382
Non-operating expenses	<u>(59,117)</u>	<u>(51,235)</u>
Income before income tax	471,119	690,727
Income tax expense	<u>(19,793)</u>	<u>(48,378)</u>
Net income	<u>\$ 451,326</u>	<u>\$ 642,349</u>

(2) Silicon Application Corporation

Silicon Application Corporation

Condensed Balance Sheets

March 31, 2012 and 2011

<u>Assets</u>			<u>Liabilities and</u>	
	<u>2012</u>	<u>2011</u>	<u>Stockholder's Equity</u>	
Current assets	\$ 6,476,886	\$ 6,040,881	Current liabilities	\$ 5,294,397
Funds and long-term investments	2,339,319	2,033,664	Other liabilities	64,017
Property, plant and equipment, net	249,186	252,620	Total liabilities	5,358,414
Intangible assets and other assets	7,391	4,691	Common stock	2,300,000
			Capital reserve	566,857
			Retained earnings	1,223,784
			Other adjustments to stockholder's equity	(376,273)
			Total stockholder's equity	3,714,368
Total assets	\$ 9,072,782	\$ 8,331,856	Total liabilities and stockholder's equity	\$ 9,072,782

Silicon Application Corporation

Condensed Statements of Income

For The Three-Month Periods Ended March 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenue	\$ 4,116,682	\$ 4,016,601
Operating costs	(3,882,734)	(3,779,725)
Gross profit	233,948	236,876
Operating expenses	(171,196)	(170,526)
Operating income	62,752	66,350
Non-operating income	80,067	125,316
Non-operating expenses	(16,727)	(11,630)
Income before income tax	126,092	180,036
Income tax expense	(9,333)	(10,805)
Net income	\$ 116,759	\$ 169,231

(3) Yosun Industrial Corp.

Effective November 15, 2010, the Company acquired 100% equity of Yosun Industrial Corp. by exchanging shares of common stock. The Company has disclosed the condensed balance sheet as of March 31, 2012 and the related condensed statement of income for the three-month period ended March 31, 2012 since the Company identified Yosun Industrial Corp. as a significant subsidiary since the third quarter of 2011.

<u>Yosun Industrial Corp.</u>			
<u>Condensed Balance Sheet</u>			
<u>March 31, 2012</u>			
<u>Assets</u>	<u>2012</u>	<u>Liabilities and Stockholder's Equity</u>	<u>2012</u>
Current assets	\$ 10,132,692	Current liabilities	\$ 7,719,478
Funds and long-term investments	5,705,964	Other liabilities	173,063
Property, plant and equipment, net	655,014	Total liabilities	7,892,541
Intangible assets and other assets	4,058	Common stock	4,161,692
		Capital reserve	2,570,901
		Retained earnings	2,100,228
		Other adjustments to stockholder's equity	(227,634)
		Total stockholder's equity	8,605,187
Total assets	\$ 16,497,728	Total liabilities and stockholder's equity	\$ 16,497,728

Yosun Industrial Corp.
Condensed Statement of Income
For The Three-Month Period Ended March 31, 2012

	<u>2012</u>
Operating revenue	\$ 7,235,688
Operating costs	(6,891,918)
Gross profit	343,770
Operating expenses	(244,616)
Operating income	99,154
Non-operating income	114,992
Non-operating expenses	(48,176)
Income before income tax	165,970
Income tax expense	(10,026)
Net income	\$ 155,944

(4) WPI Investment Holdings (BVI) Company Ltd.

WPI Investment Holdings (BVI) Company Ltd.

Condensed Balance Sheets

March 31, 2012 and 2011

Unit: USD thousand

<u>Assets</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities and</u>	<u>2012</u>	<u>2011</u>
Current assets	\$ 459	\$ 879	<u>Stockholder's Equity</u>	<u>\$ 5</u>	<u>\$ 123</u>
Funds and long-term investments	228,836	179,171	Current liabilities	85,169	85,577
			Common stock	3,755	-
			Capital reserve	139,613	93,794
			Retained earnings	753	556
			Other adjustments to stockholder's equity	229,290	179,927
			Total stockholder's equity	229,295	180,050
Total assets	<u>\$ 229,295</u>	<u>\$ 180,050</u>	<u>Total liabilities and stockholder's equity</u>	<u>\$ 229,295</u>	<u>\$ 180,050</u>

WPI Investment Holdings (BVI) Company Ltd.

Condensed Statements of Income

For The Three-Month Periods Ended March 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenue	\$ 10,005	\$ 11,021
Operating costs	-	-
Gross profit	10,005	11,021
Operating expenses	(1)	(1)
Operating income	10,004	11,020
Non-operating income	1	-
Non-operating expenses	-	-
Income before income tax	10,005	11,020
Income tax expense	-	-
Net income	<u>\$ 10,005</u>	<u>\$ 11,020</u>

11. DISCLOSURE INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES

1) Related information of significant transactions

The disclosure information of the investee companies was based on their reviewed or unreviewed financial statements and the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. All the disclosure information is for reference only.

(1) Financing activities to any company or person for the three-month period ended March 31, 2012: None.

(2) Guarantee information for the three-month period ended March 31, 2012:

Number	Guarantor	Party being guaranteed		Limit on guarantee provided for such party	Maximum outstanding guarantee balance for the three-month period ended March 31, 2012	Outstanding guarantee amount at March 31, 2012	Amount of guarantee secured with collateral	Ratio of accumulated guarantee amount to net value of the company	Ceiling on total amount of guarantees provided	Note
		Name	Relationship with the Company							
0	WPG Holdings Limited	Richpower Technology Co., Ltd.	Note 1	\$ 19,778,323	\$ 350,000	\$ 350,000	None	0.88	\$ 19,778,323	Note 2
0	WPG Holdings Limited	WPG Korea Co., Ltd.	Note 1	"	\$ 59,020	\$ 59,020	None	0.15	"	Note 2
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	Note 1	"	\$ 92,572	\$ 92,572	\$ 92,572	0.23	"	Notes 2 and 3

Note 1: The Company directly owns over 50% of the shares of the subsidiary.

Note 2: The limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$92,572.

(3) Marketable securities held by the Company at March 31, 2012:

Name of investor	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company	General ledger accounts	March 31, 2012				Note
					Number of shares (in thousands)	Book value	Percentage of ownership	Market value (in dollars)	
WPG Holdings Limited	Equity securities	World Peace Industrial Co., Ltd.	A subsidiary	Long-term equity investments accounted for under the equity method	629,000	\$ 12,728,446	100	\$ 20.24	Note 1
"	"	Asian Information Technology Inc.	"	"	253,822	3,809,567	100	15.01	"
"	"	Silicon Application Corporation	"	"	230,000	3,714,368	100	16.15	"
"	"	Richpower Electronic Devices Co., Ltd.	"	"	85,000	2,089,933	100	24.59	"
"	"	Pernas Electronics Co., Ltd.	"	"	60,000	946,863	100	15.51	"
"	"	WPG Electronics Ltd.	"	"	3,780	49,120	100	12.99	"
"	"	WPG Korea Co., Ltd.	"	"	769	159,301	100	207.15	"

Name of investor	Name and type of marketable securities				March 31, 2012				
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company	General ledger accounts	Number of shares (in thousands)	Book value	Percentage of ownership	Market value (in dollars)	Note
WPG Holdings Limited	Equity securities	WPG International (CI) Limited	A subsidiary	Long-term equity investments accounted for under the equity method	57,016	\$ 1,104,864	100	\$ 19.38	Note 1
"	"	Yosun Industrial Corp.	"	"	416,169	13,595,464	100	20.68	"
"	"	WPG Investment Co., Ltd.	"	"	34,200	351,814	100	10.29	Notes 1 and 2
"	"	AECO Technology Co., Ltd.	"	"	157,932	2,347,687	100	11.01	Note 1
"	"	Ability I Venture Capital Corporation	None	Financial assets carried at cost – non current	4,000	40,000	8	9.89	Note 1

Note 1: Without market value, it is stated at net value per stock.

Note 2: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases of World Peace Industrial Co., Ltd.

(4) Marketable securities acquired or sold during the three-month period ended March 31, 2012 in excess of \$100,000 or over 20% of capital: None.

(5) Acquired real estate in excess of \$100,000 or over 20% of capital: None.

(6) Disposal of real estate in excess of \$100,000 or over 20% of capital: None.

(7) Related party purchases or sales transactions in excess of \$100,000 or over 20% of capital: None.

(8) Receivable from related parties in excess of \$100,000 or over 20% of capital:

Name of creditor	Transaction parties	Relationship	Balance of receivable from related parties (in thousands)	Turnover rate	Overdue receivables		Subsequent collections (in thousands)	Allowance for doubtful accounts provided
					Amount	Action adopted for overdue accounts		
WPG Holdings Limited	World Peace Industrial Co., Ltd.	A Subsidiary	Accounts receivable \$ 19,063	4.19	\$ -	-	\$ -	\$ -
"	"	"	Other receivables \$ 106,269	NA	\$ -	-	\$ -	\$ -

(9) Information on derivative transactions: None.

2) Disclosure information of investee companies

The disclosure information of WPI Investment Holding (BVI) Company Ltd., World Peace Industrial Co., Ltd., WPI International (Hong Kong) Limited, World Peace International (South Asia) Pte. Ltd., WPG Americas, Inc., World Peace International (China) Limited, Gain Tune Ltd., Longview Technology Inc., Silicon Application Corporation, Silicon Application Company Limited, Silicon Application (BVI) Corp., Asian Information Technology Inc., Frontek Technology Corporation, Apache Communication Inc., Richpower Electronic Devices Co., Ltd., Richpower Electronic Devices Co., Limited, Pernas Electronics Co., Ltd., Everwiner Enterprise Co., Ltd., Yosun Industrial Corp., Sertek Incorporated, Sertek Limited, Yosun Hong Kong Corp. Ltd., Giatek Corp. Ltd., Yosun Singapore Pte. Ltd., Suntop Investments Limited., Siltrontech Electronics Corp., Scope Technology Co., Ltd. and AECO Technology Co., Ltd. was based on their reviewed financial statements while the disclosure information of other investee companies was based on their unreviewed financial statements. In addition, the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. All the disclosure information is for reference only.

(1) Information of investee company:

Name of investor	Name of investee company	Region	Main activities	Original investment		Held as of March 31, 2012			Income (loss) of the investee company (in thousands)	Investment income (loss) recognized by the Company (Note 1) (in thousands)	Note
				Balance as of March 31, 2012	Balance as of December 31, 2011	Number of shares	Percentage of ownership	Book value			
				(in thousands)	(in thousands)			(in thousands)			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Sales of electronic /electrical components	\$ 9,041,829	\$ 9,041,829	629,000,000	100.00	\$ 12,728,446	\$ 451,326	\$ 451,326	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic /electrical components	3,563,464	3,563,464	253,822,467	100.00	3,809,567	78,005	78,005	Note 4
WPG Holdings Limited	Silicon Application Corporation	Taiwan	Sales of electronic /electrical components	2,758,458	2,758,458	230,000,000	100.00	3,714,368	116,759	116,759	Note 4
WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Taiwan	Sales of electronic /electrical components	1,820,882	1,820,882	85,000,000	100.00	2,089,933	89,076	89,076	Note 4
WPG Holdings Limited	Pernas Electronics Co., Ltd.	Taiwan	Sales of electronic /electrical components	318,473	318,473	60,000,000	100.00	946,863	40,865	40,773	Note 4
WPG Holdings Limited	WPG Electronics Ltd.	Taiwan	Sales of electronic /electrical components	14,735	14,735	3,780,000	100.00	49,120	7,416	7,416	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Sales of electronic /electrical components	125,566	125,566	769,164	100.00	159,301	(732)	(732)	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	1,782,958	1,782,958	57,016,236	100.00	1,104,864	(57,268)	(57,268)	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic /electrical components	12,939,060	12,939,060	416,169,249	100.00	13,595,464	155,944	152,317	Note 4

Name of investor	Name of investee company	Region	Main activities	Original investment		Held as of March 31, 2012				Investment income (loss) recognized by the Company (Note 1) (in thousands)	Note
				Balance as of March 31, 2012	Balance as of December 31, 2011	Number of shares	Percentage of ownership	Book value	Income (loss) of the investee company (in thousands)		
				(in thousands)	(in thousands)						
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	\$ 344,997	\$ 344,997	34,200,000	100.00	\$ 351,814	\$ 7,763	\$ 7,763	Note 4
WPG Holdings Limited	AECO Technology Co., Ltd.	Taiwan	Sales of electronic /electrical components	2,335,420	-	157,932,068	100.00	2,347,687	(244,264)	7,611	Note 4
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	British Virgin Islands	Holding company	2,833,198	2,833,198	85,169,066	100.00	6,770,672	296,863	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	British Virgin Islands	Holding company	1,132,162	1,132,162	34,196,393	100.00	2,303,733	22,584	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Sales of electronic /electrical components	364,290	364,290	20,020,000	100.00	414,402	30,029	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chain Power Technology Corp. Ltd.	Taiwan	Sales of electronic /electrical components	116,650	116,650	14,820,382	39.00	214,657	11,727	-	Notes 2 and 3
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Sales of electronic /electrical components	1,515,256	1,515,256	191,790,352	100.00	2,212,633	47,175	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Sales of electronic /electrical components	280,312	280,312	44,872,169	100.00	623,922	16,476	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Sales of electronic /electrical components	479,112	479,112	38,470,846	100.00	391,228	(4,342)	-	Notes 2 and 5
Asian Information Technology Inc.	AITG Holding Corp.	Mauritius	Investment company	USD 2,702	USD 2,702	2,701,790	100.00	84,424	(2,313)	-	Notes 2 and 5
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	USD 4,703	USD 4,703	4,703,107	100.00	175,081	664	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Sales of electronic /electrical components	40,000	40,000	4,000,000	100.00	19,629	1,676	-	Notes 2 and 5

Name of investor	Name of investee company	Region	Main activities	Original investment		Held as of March 31, 2012				Investment income (loss) recognized by the Company (Note 1) (in thousands)	Note	
				Balance as of March 31, 2012	Balance as of December 31, 2011	Number of shares	Percentage of ownership	Book value				Income (loss) of the investee company (in thousands)
				(in thousands)	(in thousands)			(in thousands)	(in thousands)			
Adivic Technology Co., Ltd.	Advance Digital Communication Co., Ltd.	U.S.A.	Sales of electronic /electrical components	USD 11	USD 11	75,000	100.00	USD 11	\$ -	\$ -	Notes 2 and 5	
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	USD 2,970	USD 2,970	2,970,000	100.00	\$ 103,957	280	-	Notes 2 and 5	
Frontek Technology Corporation	Jarek International Corp.	Samoa	Investment company	USD 250	USD 250	250,000	100.00	\$ 11,758	7	-	Notes 2 and 5	
Silicon Application Corp.	Silicon Application (BVI) Corp.	British Virgin Islands	Investment company	USD 22,000	USD 22,000	22,000,000	100.00	\$ 2,211,314	64,009	-	Notes 2 and 5	
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Investment company	USD 740	USD 740	765,000	100.00	30,231	31	-	Notes 2 and 5	
Silicon Application Corp.	Win-Win Electronics Corp.	Taiwan	Sales of computer software and electronic products	\$ 10,000	\$ 10,000	1,000,000	100.00	10,371	(219)	-	Notes 2 and 5	
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Sales of electronic / electrical components	343,959	343,959	28,000,000	100.00	819,996	45,728	-	Notes 2 and 5	
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	Samoa	Investment company	USD 1,000	USD 1,000	1,000,000	100.00	4,699	(83)	-	Notes 2 and 5	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,899	284,899	63,000,000	100.00	855,790	83,879	-	Notes 2 and 5	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	Taiwan	Sales of electronic components	401,247	401,247	24,300,000	100.00	409,061	12,975	-	Notes 2 and 5	
Mec Technology Co., Ltd.	Mec Technology Co., Limited	Hong Kong	Sales of electronic components	1,092	1,092	25,000	100.00	8,361	2,046	-	Notes 2 and 5	
Mec Technology Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	167,083	3,983	-	Notes 2 and 5	
Yosun Industrial Corp.	Suntop Investments Ltd.	Cayman Islands	Investment company	1,812,188	1,812,188	50,700,000	100.00	3,411,051	32,103	-	Notes 2 and 5	

Name of investor	Name of investee company	Region	Main activities	Original investment		Held as of March 31, 2012			Income (loss) of the investee company (in thousands)	Investment income (loss) recognized by the Company (Note 1) (in thousands)	Note
				Balance as of March 31, 2012	Balance as of December 31, 2011	Number of shares	Percentage of ownership	Book value			
				(in thousands)	(in thousands)			(in thousands)			
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic components	\$ 1,616,722	\$ 1,616,722	94,828,100	100.00	\$ 1,737,557	78,086	\$ -	Notes 2 and 5
Yosun Industrial Corp.	Suntek Investments Ltd.	Taiwan	Investment company	70,000	70,000	26,000,000	100.00	321,373	4,325	-	Notes 2 and 5
Yosun Industrial Corp.	Yosun Green Technology Corp.	Taiwan	Sales of electronic components	45,000	45,000	4,500,000	45.00	38,295	(988)	-	Notes 2 and 3
Yosun Industrial Corp.	Yosun Japan Corp.	Japan	Sales of electronic components	14,728	14,728	5,000	50.00	10,130	(4,987)	-	Notes 2 and 3
Yosun Industrial Corp.	Lipers Enterprise Co., Ltd.	Taiwan	Sales of electronic components	188,261	188,261	13,049,456	28.37	173,650	(17,440)	-	Notes 2 and 5
Suntek Investments Ltd.	Eesource Corp.	Taiwan	Sales of electronic components	11,520	11,520	1,080,000	20.00	37,657	12,991	-	Notes 2 and 3
Suntek Investments Ltd.	Siltrontech Electronics Corp.	Taiwan	Sales of electronic components	149,992	149,992	24,551,450	32.22	197,619	(7,337)	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic components	83,494	83,494	19,500,000	100.00	244,160	8,231	-	Notes 2 and 5
Sertek Incorporated	Digital Computer System Co., Ltd.	Taiwan	Sales of electronic components	14,800	14,800	12,495	100.00	12,492	(27)	-	Notes 2 and 5
Siltrontech Electronics Corp.	Lipers Enterprise Co., Ltd.	Taiwan	Sales of electronic components	161,613	161,613	20,990,554	45.64	254,218	(17,440)	-	Notes 2 and 5
Siltrontech Electronics Corp.	SILTRONTECH ELECTRONICS (HK) CORP., LIMITED	Hong Kong	Import and export trading of electronic components	19,731	19,731	4,690,000	100.00	19,057	807	-	Notes 2 and 5
Lipers Enterprise Co., Ltd.	Scope Technology Co., Ltd.	Taiwan	Wholesale and retail sales of electronic components	288,947	288,947	28,894,700	100.00	327,503	(15,679)	-	Notes 2 and 5
Lipers Enterprise Co., Ltd.	Lipers (Hong Kong) Enterprise Co., Ltd.	Hong Kong	Wholesale and retail sales of electronic components	HKD 34,132	HKD 30,232	34,132,000	100.00	(5,869)	(3,538)	-	Notes 2 and 5

Name of investor	Name of investee company	Region	Main activities	Original investment		Held as of March 31, 2012				Investment income (loss) recognized by the Company (Note 1) (in thousands)	Note
				Balance as of March 31, 2012	Balance as of December 31, 2011	Number of shares	Percentage of ownership	Book value	Income (loss) of the investee company (in thousands)		
				(in thousands)	(in thousands)						
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Inc.	Taiwan	Wholesale and retail sales of electronic components	\$ 138,892	\$ 138,892	15,000,000	100.00	\$ 152,970	\$ 158	\$ -	Notes 2 and 5
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Co., Ltd.	British Virgin Islands	Wholesale and retail sales of electronic components	USD 4,056	USD 4,056	50,000	100.00	172,691	3,113	-	Notes 2 and 5
Lipers Enterprise Co., Ltd.	Hatsushiba Tech Co., Ltd.	Taiwan	Wholesale and retail sales of electronic components	11,000	11,000	1,100,000	55.00	4,501	(4,158)	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic components	11,520	11,520	1,080,000	20.00	37,657	12,991	-	Notes 2 and 3
WPG Investment Co., Ltd.	Hatsushiba Tech Co., Ltd.	Taiwan	Wholesale and retail sales of electronic components	7,260	7,260	600,000	30.00	4,992	(4,158)	-	Notes 2 and 3
AECO Technology Co., Ltd	Teco Enterprise Holding (B.V.I.) Co., Ltd	British Virgin Islands	Investment Company	436,280	436,280	12,610,000	100.00	630,886	(60,532)	-	Notes 2 and 5
Teco Enterprise Holding (B.V.I.) Co., Ltd	AECO Electronic Co., Ltd.	Hong Kong	Import and export trading of semiconductor production	371,826	371,826	98,280,000	100.00	630,789	(60,532)	-	Notes 2 and 5
AECO Electronic Co., Ltd.	AECO Electronic (Ningbo) Co., Ltd.	China	Import and export trading of electronic components	115,679	115,679	-	100.00	105,351	(12,024)	-	Notes 2, 5 and 6
AECO Electronic Co., Ltd.	AECO Technologies K.K.	Japan	Import and export trading of electronic components	-	27,341	-	-	-	(2,615)	-	Notes 2, 5 and 7

(Note 1): Investment income (loss) recognized by the Company including realized (unrealized) gain or loss from upstream, sidestream intercompany transactions and amortization of investment discount (premium).

(Note 2): Investment income (loss) recognized by each subsidiary.

(Note 3): An investee company accounted for under the equity method by subsidiary.

(Note 4): A subsidiary.

(Note 5): An indirect subsidiary.

(Note 6): The investee company is a limited company.

(Note 7): The company was disposed on February, 2012.

(2) Financing activities to any company or person:

Number	Creditor	Borrower	General ledger accounts	Maximum	Outstanding	Annual interest rate	Purpose	Amount of transactions with borrowers	Reason for financing	Allowance for	Collateral placed		Limit on financing	Ceiling of the	Note
				balance during the period (in thousands)	balance at March 31, 2012 (in thousands)					doubtful accounts provided	Item	Amount	party (in thousands)	financing activities provided to all parties (in thousands)	
1	Gain Tune Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	\$ 811,525	\$ 811,525	0.90%	Working capital	\$ -	Operation	\$ -	None	None	\$ 928,178	\$ 928,178	(Outstanding balance of loan: \$575,455) Note 2
2	World Peace International (South Asia) Pte Ltd.	Genuine C & C (South Asia) Pte., Ltd.	Other receivables - related parties	324,610	324,610	1.62%	Working capital	-	Operation	-	None	None	324,610	3,862,800	(Outstanding balance of loan: \$70,824) Note 3
2	World Peace International (South Asia) Pte Ltd.	World Peace International Pte., Ltd.	Other receivables - related parties	590,200	295,100	1.62%	Working capital	-	Operation	-	None	None	295,100	3,862,800	(Outstanding balance of loan: \$247,884) Note 3
2	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables - related parties	973,830	826,280	2.35%	Working capital	-	Operation	-	None	None	826,280	3,862,800	(Outstanding balance of loan: \$398,385) Notes 3 and 7
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn Bhd	Other receivables - related parties	59,020	59,020	-	Working capital	-	Operation	-	None	None	59,020	3,862,800	(Outstanding balance of loan: \$0) Note 3
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables - related parties	59,020	59,020	-	Working capital	-	Operation	-	None	None	59,020	3,862,800	(Outstanding balance of loan: \$0) Note3
2	World Peace International (South Asia) Pte Ltd.	Da & Da Electronics Pte. Ltd.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	3,862,800	(Outstanding balance of loan: \$0) Note 3
2	World Peace International (South Asia) Pte Ltd.	Yosun Singapore Pte. Ltd.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	3,862,800	(Outstanding balance of loan: \$0) Note 3
3	World Peace International Pte., Ltd.	Genuine C&C (South Asia) Pte., Ltd.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	1,975,960	(Outstanding balance of loan: \$0) Note 3
3	World Peace International Pte., Ltd.	WPG Americas Inc.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	1,975,960	(Outstanding balance of loan: \$0) Notes 3 and 7
3	World Peace International Pte., Ltd.	World Peace International (South Asia) Pte. Ltd.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	1,975,960	(Outstanding balance of loan: \$0) Note 3
3	World Peace International Pte., Ltd.	Da & Da Electronics Pte. Ltd.	Other receivables - related parties	147,550	147,550	-	Working capital	-	Operation	-	None	None	147,550	1,975,960	(Outstanding balance of loan: \$0) Note 3

Number	Creditor	Borrower	General ledger accounts	Maximum	Outstanding	Annual interest rate	Purpose	Amount of transactions with borrowers	Reason for financing	Allowance for	Collateral placed		Limit on financing	Ceiling of the	Note
				balance during the period (in thousands)	balance at March 31, 2012 (in thousands)					doubtful accounts provided	Item	Amount	activities for such party (in thousands)	financing activities provided to all parties (in thousands)	
3	World Peace International Pte., Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	Other receivables - related parties	14,755	14,755	-	Working capital	-	Operation	-	None	None	14,755	395,198	(Outstanding balance of loan: \$0) Note 3
3	World Peace International Pte., Ltd.	WPG C&C (Malaysia) SDN BHD	Other receivables - related parties	\$ 29,510	\$ 29,510	-	Working capital	\$ -	Operation	\$ -	None	None	\$ 29,510	\$ 1,975,960	(Outstanding balance of loan: \$0) Note 3
3	World Peace International Pte., Ltd.	WPG C&C Computers And WPG C&C (Malaysia) SDN BHD Peripheral (India) Private Limited	Other receivables - related parties	59,020	59,020	-	Working capital	-	Operation	-	None	None	59,020	1,975,960	(Outstanding balance of loan: \$0) Note 3
4	WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	Other receivables - related parties	136,787	136,787	3.00%	Working capital	-	Operation	-	None	None	144,422	144,422	(Outstanding balance of loan: \$136,787) Note 11
5	World Peace Industrial (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	59,020	59,020	0.70%	Working capital	-	Operation	-	None	None	66,634	66,634	(Outstanding balance of loan: \$59,020) Note 11
6	WPI Investment Holding (BVI) Company Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	11,804	11,804	0.07%	Working capital	-	Operation	-	None	None	2,706,539	6,766,348	(Outstanding balance of loan: \$11,084) Note 11
7	World Peace International (BVI) Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	57,545	57,545	-	Working capital	-	Operation	-	None	None	920,210	2,300,511	(Outstanding balance of loan: \$0) Note 12
8	Genuine C&C (South Asia) Pte., Ltd.	World Peace International Pte Ltd.	Other receivables - related parties	14,755	14,755	-	Working capital	-	Operation	-	None	None	14,755	376,105	(Outstanding balance of loan: \$0) Note 3
8	Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Malaysia) SDN BHD	Other receivables - related parties	14,755	14,755	-	Working capital	-	Operation	-	None	None	14,755	376,105	(Outstanding balance of loan: \$0) Note 3
8	Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables - related parties	14,755	14,755	-	Working capital	-	Operation	-	None	None	14,755	376,105	(Outstanding balance of loan: \$0) Note 3
9	Genuine C&C (IndoChina) Pte., Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	14,755	-	-	Working capital	-	Operation	-	None	None	59,994	59,994	(Outstanding balance of loan: \$0) Note 3
10	World Peace International (China) Limited	World Peace International Pte Ltd.	Other receivables - related parties	29,510	29,510	-	Working capital	-	Operation	-	None	None	29,510	487,653	(Outstanding balance of loan: \$0) Note 3

Number	Creditor	Borrower	General ledger accounts	Maximum	Outstanding	Annual interest rate	Purpose	Amount of transactions with borrowers	Reason for financing	Allowance for	Collateral placed		Limit on financing	Ceiling of the	Note
				balance during the period (in thousands)	balance at March 31, 2012 (in thousands)					doubtful accounts provided	Item	Amount	activities for such party (in thousands)	financing activities provided to all parties (in thousands)	
10	World Peace International (China) Limited	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	29,510	29,510	-	Working capital	-	Operation	-	None	None	29,510	487,653	(Outstanding balance of loan: \$0) Note 3
11	World Peace International (India) Pvt., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables - related parties	1,476	1,476	-	Working capital	-	Operation	-	None	None	1,476	29,451	(Outstanding balance of loan: \$0) Note 3
12	WPI International (Hong Kong) Limited	AIO Components Company Limited	Other receivables - related parties	\$ 59,020	\$ 29,510	1.65%	Working capital	\$ -	Operation	\$ -	None	None	\$ 5,837,757	\$ 5,837,757	(Outstanding balance of loan: \$14,755) Note 11
12	WPI International (Hong Kong) Limited	WPG C&C Limited	Other receivables - related parties	236,080	236,080	1.45%	Working capital	-	Operation	-	None	None	5,837,757	5,837,757	(Outstanding balance of loan: \$236,080) Note 11
13	Richpower Electronic Co., Ltd.	WPG Holdings Limited	Other receivables - related parties	200,000	200,000	-	Working capital	-	Operation	-	None	None	835,973	835,973	(Outstanding balance of loan: \$0) Note 4
13	Richpower Electronic Co., Ltd.	Richpower Electronic Devices Co., Limited	Other receivables - related parties	295,100	295,100	-	Working capital	-	Operation	-	None	None	835,973	835,973	(Outstanding balance of loan: \$0) Note 4
14	Mec Technology Co., Limited	Richpower Electronic Devices Pte., Ltd.	Other receivables - related parties	118,040	118,040	2.08%	Working capital	-	Operation	-	None	None	144,492	144,492	(Outstanding balance of loan: \$29,510) Note 4
15	Apache Communication Inc.	Frontek Technology Corporation	Other receivables - related parties	100,000	-	-	Working capital	-	Operation	-	None	None	155,981	249,569	(Outstanding balance of loan: \$0) Note 6
15	Apache Communication Inc.	Adivic Technology Co., Ltd.	Other receivables - related parties	25,000	25,000	1.37%~ 1.47%	Working capital	-	Operation	-	None	None	155,981	249,569	(Outstanding balance of loan: \$25,000) Note 6
16	Henshen Electric Trading Co., Ltd.	Frontek Technology Corporation	Other receivables - related parties	90,000	90,000	1.28%	Working capital	-	Operation	-	None	None	97,807	156,491	(Outstanding balance of loan: \$90,000) Note 6
16	Henshen Electric Trading Co., Ltd.	WPG China Inc.	Other receivables - related parties	59,020	59,020	2.50%	Working capital	-	Operation	-	None	None	97,807	156,491	(Outstanding balance of loan: \$59,020) Note 6
17	Asian Information Technology Inc.	Frontek Technology Corporation	Other receivables - related parties	360,000	360,000	1.37%~ 1.56%	Working capital	-	Operation	-	None	None	952,392	1,523,827	(Outstanding balance of loan: \$240,000) Note 6
17	Asian Information Technology Inc.	WPG Americas Inc.	Other receivables - related parties	177,060	177,060	-	Working capital	-	Operation	-	None	None	952,392	1,523,827	(Outstanding balance of loan: \$0) Notes 6 and 7

Number	Creditor	Borrower	General ledger accounts	Maximum	Outstanding	Annual interest rate	Purpose	Amount of transactions with borrowers	Reason for financing	Allowance for	Collateral placed		Limit on financing activities for such party (in thousands)	Ceiling of the	Note
				balance during the period (in thousands)	balance at March 31, 2012 (in thousands)					doubtful accounts provided	Item	Amount		financing activities provided to all parties (in thousands)	
18	AIT Japan, Inc.	Frontek Technology Corporation	Other receivables – related parties	29,510	-	-	Working capital	-	Operation	-	None	None	34,874	55,799	(Outstanding balance of loan: \$0) Note 6
19	Silicon Application Corporation	WPG Korea Co., Ltd.	Other receivables – related parties	59,020	59,020	2.50%	Working capital	-	Operation	-	None	None	1,485,747	1,485,747	(Outstanding balance of loan: \$59,020) Note 5
19	Silicon Application Corporation	WPG China Inc.	Other receivables – related parties	88,530	88,530	2.50%	Working capital	-	Operation	-	None	None	1,485,747	1,485,747	(Outstanding balance of loan: \$88,530) Note 5
20	Silicon Application (BVI) Corp.	Silicon Application Corporation	Other receivables – related parties	\$ 295,100	\$ 295,100	1.50%	Working capital	\$ -	Operation	\$ -	None	None	\$ 884,533	\$ 2,211,302	(Outstanding balance of loan: \$280,345) Note 11
20	Silicon Application (BVI) Corp.	Silicon Application Company Limited	Other receivables – related parties	295,100	295,100	1.70%	Working capital	-	Operation	-	None	None	2,211,302	2,211,302	(Outstanding balance of loan: \$280,345) Note 11
21	Sunwise Technology Ltd.	Yosun Hong Kong Corp. Ltd	Other receivables – related parties	236,080	236,080	0.90%	Working capital	-	Operation	-	None	None	266,425	266,425	(Outstanding balance of loan: \$236,080) Note 8
22	Sertek (Shanghai) Limited	Yosun Shanghai Corp. Ltd.	Other receivables – related parties	55,184	55,184	-	Working capital	-	Operation	-	None	None	77,486	77,486	(Outstanding balance of loan: \$0) Note 8
23	Lipers Enterprise Co., Ltd.	Dongguan Lipers Electronics Co., Ltd.	Accounts receivable	10,527	10,527	-	Business	12,440	-	-	None	None	12,440	122,409	(Outstanding balance of loan: \$10,527) Note 9
24	Scope Technology Co., Ltd.	Dongguan Lipers Electronics Co., Ltd.	Accounts receivable	5,116	5,116	-	Business	17,689	-	-	None	None	17,689	65,501	(Outstanding balance of loan: \$5,116) Note 9
25	Yosun Industrial Corp.	WPG Holdings Limited	Other receivables – related parties	850,000	850,000	-	Working capital	-	Operation	-	None	None	1,721,037	3,442,075	(Outstanding balance of loan: \$0) Note 10
26	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables – related parties	59,020	59,020	2.50%	Working capital	-	Operation	-	None	None	71,982	71,982	(Outstanding balance of loan: \$59,020) Note 11

Note 1: Accumulated financing activities and the individual limit to any company or person should not be in excess of 100% of creditors' net assets.

Note 2: (1)Accumulated financing activities to any company or person should not be in excess of 150% of creditor's net assets.

(2)For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3)For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 150% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount is fixed. The accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

(2) For those borrowers which are 100% held investee company, the individual limit amount is fixed. The accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.

(3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.

Note 4: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, accumulated financing activities should not be in excess of 40% of creditor's net assets.

(3) Accumulated financing activities to any company should not be in excess of 40% of creditor's net assets.

Note 5: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Accumulated financing activities to any company should not be in excess of 40% of creditor's net assets.

(4) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be restricted by (2).

Note 6: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 25% of creditor's assets.

(3) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be restricted by (2).

(4) Accumulated financing activities to any company should not be in excess of 40% of creditor's net assets.

Note 7: The limit amount of financing activities and guarantees from the Company and subsidiaries (including indirect subsidiaries) to WPG Americas, Inc. is USD50 million.

Note 8: (1) Accumulated financing to any company should not exceed 100% of the creditor's net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 10% of the creditor's net assets.

Note 9: (1) For short-term financing, accumulated financing should not be in excess of 20% of creditor's net assets. The individual limit should not be in excess of 10% of creditor's net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases. Accumulated financing activities to any company should not be in excess of 20% of creditor's net assets.

Note 10: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the individual limit should not be in excess of 20% of creditor's net assets.

(3) Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets.

Note 11: (1) Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

(3) Guarantee information:

Name of the company providing guarantee		Parties being guaranteed		Limit of guarantee for such party	Maximum outstanding guarantee balance during the period	Outstanding guarantee balance at March 31, 2012	Balance of guarantee with collateral	Ratio of accumulated guarantee amount to net value of the company	Ceiling on the outstanding guarantee provided to all parties	Note
Number	Name	Name	Relationship with the Company	(in thousands)	(in thousands)	(in thousands)			(in thousands)	
1	World Peace Industrial Co., Ltd.	Genuine C&C (South Asia) Pte., Ltd.	Note 1	\$ 6,364,910	\$ 649,220	\$ 649,220	None	5.10	\$ 10,183,855	Note 21
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Note 1	6,364,910	38,500	38,500	None	0.30	10,183,855	Note 21
1	World Peace Industrial Co., Ltd.	Teksel WPG Limited	Note 1	6,364,910	66,398	66,398	None	0.52	10,183,855	Note 21
1	World Peace Industrial Co., Ltd.	WPI International Trading (Shanghai) Ltd.	Note 1	6,364,910	366,662	366,662	None	2.88	10,183,855	Note 21
2	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Note 1	1,671,947	465,000	465,000	None	22.25	1,671,947	Notes 7 and 8
3	Asian Information Technology Inc.	Frontek Technology Corporation	Note 1	1,523,827	250,000	250,000	None	6.56	1,904,783	Notes 9 and 10
4	Frontek Technology Corporation	AITG Electronic Limited	Note 1	885,053	38,020	38,020	None	1.72	1,106,317	Notes 16 and 17
5	Pernas Electronics Co., Ltd.	World Components Agent (Shanghai) Inc.	Note 1	465,329	14,755	14,755	None	1.59	465,329	Notes 11 and 12
6	Silicon Application Corporation	Silicon Electronics Company Limited	Note 1	2,971,494	1,534,520	1,534,520	None	41.31	3,714,368	Notes 5 and 6
6	Silicon Application Corporation	Da & Da Electronics Pte., Ltd.	Note 3	2,971,494	59,020	59,020	None	1.59	3,714,368	Notes 5 and 6
7	World Peace International Pte., Ltd.	World Peace International (China) Limited	Note 1	4,356,060	215,423	215,423	None	9.89	4,356,060	Note 13
7	World Peace International Pte., Ltd.	World Peace International (South Asia) Pte., Ltd.	Note 1	4,356,060	1,866,508	1,866,508	None	85.70	4,356,060	Note 13
7	World Peace International Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Note 1	4,356,060	59,020	59,020	None	2.71	4,356,060	Note 13
7	World Peace International Pte., Ltd.	Genuine C&C (South Asia) Pte., Ltd.	Note 1	4,356,060	29,510	29,510	None	1.35	4,356,060	Note 13
7	World Peace International Pte., Ltd.	WPG C&C (Malaysia) SDN BHD	Note 1	4,356,060	1,275	1,275	None	0.18	4,356,060	Note 13
7	World Peace International Pte., Ltd.	WPG Americas Inc.	Note 3	4,356,060	222,801	222,801	None	10.23	4,356,060	Notes 13 and 19
8	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Note 1	2,918,893	281,070	281,070	None	4.81	4,670,194	Notes 14 and 15

Name of the company providing guarantee		Parties being guaranteed		Limit of guarantee for such party (in thousands)	Maximum outstanding guarantee balance during the period (in thousands)	Outstanding guarantee balance at March 31, 2012 (in thousands)	Balance of guarantee with collateral	Ratio of accumulated guarantee amount to net value of the company	Ceiling on the outstanding guarantee provided to all parties (in thousands)	Note
Number	Name	Name	Relationship with the Company							
8	WPI International (Hong Kong) Limited	WPG China Inc.	Note 3	2,918,893	77,906	77,906	None	1.33	4,670,194	Notes 14 and 15
9	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Note 2	\$ 8,605,187	\$ 804,131	\$ 534,131	None	6.21	\$ 17,210,374	Note 4
9	Yosun Industrial Corp.	Yosun Singapore Pte. Ltd.	Note 2	8,605,187	533,140	438,708	None	5.10	17,210,374	Note 4
9	Yosun Industrial Corp.	Sertek Incorporated	Note 1	8,605,187	1,260,400	1,260,400	None	14.65	17,210,374	Note 4
9	Yosun Industrial Corp.	Giatek Corporation Ltd.	Note 2	8,605,187	1,114,339	1,067,123	None	12.40	17,210,374	Note 4
9	Yosun Industrial Corp.	Sunwise Technology Limited	Note 2	8,605,187	225,855	225,855	None	2.62	17,210,374	Note 4
10	Sertek Incorporated	Sertek Limited	Note 1	1,442,136	560,690	560,690	None	38.88	2,884,272	Note 4
11	Lipers Enterprise Co., Ltd.	Scope Technology Co., Ltd.	Note 2	1,836,132	1,058,000	1,058,000	None	172.86	1,836,132	Note 20
11	Lipers Enterprise Co., Ltd.	Advance Electronics Supply Co., Ltd.	Note 2	1,836,132	118,040	118,040	None	19.29	1,836,132	Note 20
11	Lipers Enterprise Co., Ltd.	Advance Electronics Supply Inc.	Note 2	1,836,132	50,000	50,000	None	8.17	1,836,132	Note 20
12	AECO Technology Co., Ltd.	AECO Electronic Co., Ltd.	Note 2	869,083	545,415	545,415	None	31.38	869,083	Note 18

Note 1: Represents that the Company and its subsidiaries hold combined ownership of more than 50%.

Note 2: Represents that the Company hold combined ownership of more than 50% directly or indirectly.

Note 3: Represents the guarantor is an affiliate of guarantee.

Note 4: The guarantee amount to a single company should not be in excess of 100% of guarantor's net assets; the cumulative guarantee amount to others should not be in excess of 200% of guarantor's net assets.

Note 5: The guarantee amount to a single company should not be in excess of 80% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

Note 6: The cumulative guarantee amount to others should not be in excess of 100% of guarantor's net assets.

Note 7: The guarantee amount to a single company should not be in excess of 80% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

Note 8: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets.

Note 9: The guarantee amount to a single company should not be in excess of 40% of guarantor's net assets.

Note 10: The cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets.

Note 11: The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets.

Note 12: The guarantor is held by the Company more than 90% but less than 100% directly or indirectly, the cumulative guarantee amount to the other affiliate of guarantee should not be in excess of 10% of the Company's net assets

Note 13: The guarantee amount to a single company should not be in excess of 200% of guarantor's net assets.

Note 14: The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

Note 15: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets.

Note 16: The guarantee amount to a single company should not be in excess of 40% of guarantor's net assets.

Note 17: The cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets.

Note 18: The guarantee amount to a single company and the cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets.

Note 19: The limit amount of financing activities and guarantee from the Company and subsidiaries (including indirect subsidiaries) to WPG Americas Inc. is USD50 million.

Note 20: The cumulative guarantee amount to others should not be in excess of 300% of guarantor's net assets; the guarantee amount to a single company should not be in excess of 300% of guarantor's net assets.

Note 21: The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

(4) Marketable securities held by the investee companies at March 31, 2012

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012			Market value (in dollars) (Note 1)	Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership		
World Peace Industrial Co., Ltd.	Equity securities	WPI Investment Holding (BVI) Company Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	85,169	\$ 6,770,672	100.00%	\$ 79.45	
World Peace Industrial Co., Ltd.	Equity securities	World Peace International (BVI) Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	34,196	2,303,733	100.00%	64.86	
World Peace Industrial Co., Ltd.	Equity securities	Longview Technology Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	20,020	414,402	100.00%	20.63	
World Peace Industrial Co., Ltd.	Equity securities	Chain Power Technology Corp.	A subsidiary's long-term investments accounted for under equity method	Long-term investments accounted for under equity method	14,820	214,657	39.00%	14.48	
World Peace Industrial Co., Ltd.	Equity securities	Genuine C&C, Inc.	Same chairman	Available-for-sale financial assets - non-current	14,405	165,652	16.29%	11.50	
World Peace Industrial Co., Ltd.	Equity securities	Prohubs International Corp., etc.	None	Financial assets carried at cost - non-current	-	11,756	-	-	
WPI Investment Holding (BVI) Company Ltd.	Equity securities	WPI International (Hong Kong) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	4,053,564	5,847,282	100.00%	1.44	
WPI Investment Holding (BVI) Company Ltd.	Equity securities	Gain Tune Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	500,000	618,788	100.00%	1.24	
WPI Investment Holding (BVI) Company Ltd.	Equity securities	WPI International Trading (Shenzhen) Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	144,410	100.00%	(Note 2)	
WPI Investment Holding (BVI) Company Ltd.	Equity securities	World Peace Industrial (Hong Kong) Limited, etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method	-	142,473	-	-	
WPI International (Hong Kong) Limited	Equity securities	WPI International Trading (Shanghai) Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	136,826	100.00%	(Note 2)	

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012				Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership	Market value (in dollars) (Note 1)	
WPI International (Hong Kong) Limited	Equity securities	WPG C&C Limited	An indirect subsidiary	Long-term investments accounted for under equity method	6,500	\$ 261,512	100.00%	\$ 40.23	
WPI International (Hong Kong) Limited	Equity securities	AIO Components Company Limited	An indirect subsidiary	Long-term investments accounted for under equity method	1,362	163,801	100.00%	120.29	
WPI International (Hong Kong) Limited	Equity securities	WPG Americas Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	4,000	2,825	2.67%	0.72	
AIO Components Company Limited	Equity securities	AIO (Shanghai) Components Company Limited	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	28,453	100.00%	(Note 2)	
World Peace International (BVI) Ltd.	Equity securities	Prime Future Technology Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	36,448	2,268,024	100.00%	62.23	
Prime Future Technology Ltd.	Equity securities	World Peace International Pte. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	248,633	2,263,782	100.00%	9.10	
World Peace International Pte., Ltd.	Equity securities	World Peace International (South Asia) Pte., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	34,315	1,942,288	100.00%	56.60	
World Peace International Pte., Ltd.	Equity securities	World Peace International (China) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	12,800	243,821	100.00%	19.05	
World Peace International Pte., Ltd.	Equity securities	WPG Americas Inc., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	215,025	-	-	(Note 4)
Genuine C&C (South Asia) Pte., Ltd.	Equity securities	WPG C&C Computers And Peripheral (India) private Limited	An indirect subsidiary	Long-term investments accounted for under equity method	48,420	265,754	100.00%	5.49	
Genuine C&C (South Asia) Pte., Ltd.	Equity securities	WPG C&C (Malaysia) SDN BHD, etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	11,832	-	-	

Name of investor	Name and type of marketable securities			March 31, 2012					
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company	General ledger accounts	Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership	Market value (in dollars) (Note 1)	Note
World Peace International (South Asia) Pte Ltd.	Equity securities	WPG Malaysia SDN BHD, etc.	An indirect subsidiary	Long-term investments accounted for under equity method, etc.	-	\$ 15,236	-	\$ -	
WPG Investment Co., Ltd.	Equity securities	Eesource Corp.	An investee company of long-term investments accounted for under equity method	Long-term investments accounted for under equity method	1,080	37,657	20.00%	34.87	
WPG Investment Co., Ltd.	Equity securities, etc.	Hatsushiba Tech Co., Ltd. etc.	An investee company of long-term investments accounted for under equity method, etc.	Financial assets at fair value through profit or loss - current, etc.	-	167,844	-	-	
WPG Electronics Limited	Funds	Mega Funds, etc.	None	Financial assets at fair value through profit or loss - current, etc.	-	8,003	-	-	
Silicon Application Corporation	Equity securities	Silicon Application (BVI) Corp.	An indirect subsidiary	Long-term investments accounted for under equity method	22,000	2,211,314	100.00%	100.51	
Silicon Application Corporation	Equity securities	Genesis Photonics Inc., etc.	None	Financial assets carried at cost - non-current, etc.	-	87,710	-	-	
Silicon Application Company Limited	Equity securities	Dstar Electronic Company Limited	An indirect subsidiary	Long-term investments accounted for under equity method	6,000	21,954	100.00%	3.66	
Silicon Application Corp.	Equity securities	Win-win Electronic Corp, etc.	An indirect subsidiary	Long-term investments accounted for under equity method, etc.	-	40,602	-	-	(Note 3)
Silicon Application (BVI) Corp.	Equity securities	Silicon Application Company Limited	An indirect subsidiary	Long-term investments accounted for under equity method	100,000	1,569,636	100.00%	15.70	
Silicon Application (BVI) Corp.	Equity securities	Silicon Electronics Company of Japan, etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	68,051	-	-	
Win-Win Systems Ltd.	Equity securities	Silicon Electronics Company(s) Pte. Ltd.	None	Financial assets carried at cost - non-current	180	6,725	10.00%	37.36	
Richpower Electronics Devices Co., Ltd.	Equity securities	Richpower Electronic Devices Co., Limited	An indirect subsidiary	Long-term investments accounted for under equity method	63,000	827,495	100.00%	13.13	

Name and type of marketable securities				March 31, 2012					
Name of investor	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company	General ledger accounts	Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership	Market value (in dollars) (Note 1)	Note
Richpower Electronics Devices Co., Ltd.	Equity securities	Mec Technology Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	24,300	\$ 409,061	100.00%	\$ 14.87	
Richpower Electronics Devices Co., Ltd.	Fund	Yuanta Wan Tai Bond Fund	None	Financial assets at fair value through profit or loss-current	6,841	100,117	-	14.62	
Richpower Electronics Devices Co., Ltd.	Equity securities	Promaster Technology Corp. etc.	None	Financial assets carried at cost - non-current, etc.	-	71,828	-	-	
Mec Technology Co., Ltd.	Equity securities	Richpower Electronic Devices Pte., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	10	167,083	100.00%	16,708.33	
Mec Technology Co., Ltd.	Equity securities	Mec Technology Co., Limited, etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	24,503	-	-	
Pernas Electronics Co., Ltd.	Equity securities	Everwiner Enterprise Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	28,000	819,996	100.00%	22.42	
Pernas Electronics Co., Ltd.	Equity securities	Pernas Enterprise (Samoa) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	1,000	4,699	100.00%	4.70	
Asian Information Technology Inc.	Equity securities	Frontek Technology Corporation	An indirect subsidiary	Long-term investments accounted for under equity method	191,790	2,212,633	100.00%	11.54	
Asian Information Technology Inc.	Equity securities	Apache Communication Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	44,872	623,922	100.00%	13.90	
Asian Information Technology Inc.	Equity securities	Henshen Electric Trading Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	38,471	391,228	100.00%	10.17	
Asian Information Technology Inc.	Equity securities	Fame Hall International Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	4,703	175,081	100.00%	37.23	
Asian Information Technology Inc.	Equity securities	AITG Holding Corp.	An indirect subsidiary	Long-term investments accounted for under equity method	2,702	84,424	100.00%	31.25	

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012				Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership	Market value (in dollars) (Note 1)	
Asian Information Technology Inc.	Equity securities	Adivic Technology Co., Ltd., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	\$ 66,922	-	\$ -	
Adivic Technology Co., Ltd.	Equity securities	Advance Digital Communication Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	75	USD 11	100.00%	USD 0.14	
Frontek Technology Corporation	Equity securities	Frontek International Limited	An indirect subsidiary	Long-term investments accounted for under equity method	2,970	\$ 103,957	100.00%	\$ 35	
Frontek Technology Corporation	Equity securities	Jarek International Corp., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	16,503	-	-	
Fame Hall International Co., Ltd.	Equity securities	AIT Japan, Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	6	139,494	100.00%	23,245.32	
Fame Hall International Co., Ltd.	Equity securities	Fame Hall International Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	10,819	32,461	100.00%	2.95	
AITG Holding Corp.	Equity securities	Zheng Ding Technology (Shenzhen) Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	41,166	100.00%	(Note 2)	
Frontek International Limited	Equity securities	AITG Electronic Limited	An indirect subsidiary	Long-term investments accounted for under equity method	22,800	94,609	100.00%	4.13	
WPG International (CI) Limited	Equity securities	WPG International (Hong Kong) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	17,408	874,972	100.00%	50.26	
WPG International (CI) Limited	Equity securities	WPG Americas Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	140,000	96,498	93.27%	0.72	(Note 4)
WPG International (CI) Limited	Equity securities	Da & Da Electronics Pte. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	6,656	125,447	100.00%	18.85	
WPG International (Hong Kong) Limited	Equity securities	WPG Electronics (HK) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	31,640	130,051	100.00%	4.11	

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012			Market value (in dollars) (Note 1)	Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands) (Note 2)	Book value (in thousands) (Note 2)	Percentage of ownership		
WPG International (Hong Kong) Limited	Equity securities	WPG China Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	\$ 539,177	100.00%	(Note 2)	
WPG International (Hong Kong) Limited	Equity securities	WPG China (SZ) Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	176,086	100.00%	(Note 2)	
WPG International (Hong Kong) Limited	Equity securities	Suzhou Xinning Logistic Co., Ltd.	Investee accounted for under equity method	Long-term investments accounted for under equity method	(Note 2)	29,126	29.40%	(Note 2)	
Da & Da Electronics Pte. Ltd.	Equity securities	WPG Malaysia SDN BHD, ect.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	11,598	-	-	
Yosun Industrial Corp.	Equity securities	Suntop Investments Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	50,700	3,411,051	100.00%	67.28	
Yosun Industrial Corp.	Equity securities	Sertek Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	94,828	1,737,557	100.00%	15.21	
Yosun Industrial Corp.	Equity securities	Suntek Investments Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	26,000	321,373	100.00%	12.36	
Yosun Industrial Corp.	Equity securities	Lipers Enterprise Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	13,049	173,650	28.37%	13.31	
Yosun Industrial Corp.	Equity securities	Yosun Green Technology Corp., etc.	Investee accounted for under equity method, etc.	Long-term investments accounted for under equity method, etc.	-	62,332	-	-	
Suntop Investments Ltd.	Equity securities	Yosun Hong Kong Corp. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	295,270	USD 103,560	100.00%	USD 0.23	
Suntop Investments Ltd.	Equity securities	Yosun Singapore Pte., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	20,600	USD 11,919	100.00%	USD 0.42	

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012				Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership	Market value (in dollars) (Note 1)	
Suntek Investments Ltd.	Equity securities	Siltrontech Electronics Corp.	An indirect subsidiary	Long-term investments accounted for under equity method	24,551	\$ 197,619	32.22%	\$ 12.15	
Suntek Investments Ltd.	Equity securities, etc.	Eesource Corp., etc.	Investee accounted for under equity method, etc.	Long-term investments accounted for under equity method, etc.	-	102,719	-	-	
Yosun Singapore Pte., Ltd.	Equity securities	Yosun Industrial (Malaysia) Sdn. Bhd., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	USD 504	-	-	
Yosun Hong Kong Corp. Ltd.	Equity securities	Yosun Shanghai Corp. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	USD 10,397	100.00%	(Note 2)	
Yosun Hong Kong Corp. Ltd.	Equity securities	Giatek Corp. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	39,000	USD 35,140	100.00%	USD 0.90	
Yosun Hong Kong Corp. Ltd.	Equity securities	Yosun South China Corp. Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	USD 5,405	100.00%	(Note 2)	
Yosun Hong Kong Corp. Ltd.	Equity securities	Sunwise Technology Limited	An indirect subsidiary	Long-term investments accounted for under equity method	8,000	USD 9,996	100.00%	USD 1.25	
Sertek Incorporated	Equity securities	Sertek Limited	An indirect subsidiary	Long-term investments accounted for under equity method	19,500	244,159	100.00%	12.52	
Sertek Incorporated	Equity securities	Digital Computer Systems Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	12	12,492	100.00%	999.79	
Sertek Limited	Equity securities	Sertek (Shanghai) Limited	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	USD 2,626	100.00%	(Note 2)	
Digital Computer Systems Co., Ltd.	Fund	Taishin Lucky Money Market Fund	None	Available-for-sale financial asset - current	941	10,119	-	10.75	
Siltrontech Electronics Corp.	Equity securities	Lipers Enterprise Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	20,991	254,217	45.64%	13.31	

Name of investor	Name and type of marketable securities			General ledger accounts	March 31, 2012			Market value (in dollars) (Note 1)	Note
	Type of marketable securities	Name of marketable securities	Relationship of the issuer with the Company		Number of shares (in thousands)	Book value (in thousands)	Percentage of ownership		
Siltrontech Electronics Corp.	Equity securities	Siltrontech Electronics (HK) Corp. Ltd., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	\$ 28,677	-	\$ -	
Siltrontech Electronics (HK) Corp. Limited	Equity securities	Xiang Mao Electronics (SZ) Corp., Ltd., etc.	An indirect subsidiary, etc.	Long-term investments accounted for under equity method, etc.	-	HKD 3,688	-	-	
Lipers Enterprise Co., Ltd.	Equity securities	Scope Technology Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	28,895	\$ 327,503	100.00%	11.33	
Lipers Enterprise Co., Ltd.	Equity securities	Lipers (Hong Kong) Enterprise Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	34,132	(5,869)	100.00%	(0.17)	
Lipers Enterprise Co., Ltd.	Equity securities	Advance Electronics Supply Inc.	An indirect subsidiary	Long-term investments accounted for under equity method	15,000	152,970	100.00%	10.20	
Lipers Enterprise Co., Ltd.	Equity securities	Advance Electronics Supply Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	50	172,691	100.00%	3,453.82	
Lipers Enterprise Co., Ltd.	Equity securities	Hatsushiba Tech Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	1,100	4,501	55.00%	4.09	
Lipers (Hong Kong) Enterprise Co., Ltd.	Equity securities	Dongguan Lipers Electronics Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	(HKD 4,426)	100.00%	(Note 2)	
Lipers (Hong Kong) Enterprise Co., Ltd.	Equity securities	Lipers Electronic (SZ) Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	RMB 3,546	100.00%	(Note 2)	
AECO Technology Co., Ltd.	Equity securities	Hua-Jie (Taiwan) Corp.	None	Financial assets carried at cost - non-current	1,050	10,500	3.58	10.00	
AECO Technology Co., Ltd.	Equity securities	Teco Enterprise Holding (BVI) Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	12,610	630,886	100	50.03	
Teco Enterprise Holding (BVI) Co., Ltd.	Equity securities	AECO Electronic Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	98,280	630,789	100	6.42	

<u>Name and type of marketable securities</u>				<u>March 31, 2012</u>					
<u>Name of investor</u>	<u>Type of marketable securities</u>	<u>Name of marketable securities</u>	<u>Relationship of the issuer with the Company</u>	<u>General ledger accounts</u>	<u>Number of shares (in thousands)</u>	<u>Book value (in thousands)</u>	<u>Percentage of ownership</u>	<u>Market value (in dollars) (Note 1)</u>	<u>Note</u>
AECO Electronic Co., Ltd.	Equity securities	AECO Electronic (Ningbo) Co., Ltd.	An indirect subsidiary	Long-term investments accounted for under equity method	(Note 2)	\$ 105,351	100	(Note 2)	

Note 1: Market price is determined as follows:

1. The closing price at the balance sheet date. The fair value of open-end mutual funds is based on the net assets at the balance sheet date.
2. Without market price, equity securities are based on net assets.

Note 2: The investee is a limited company.

Note 3: There are 1,850 thousand shares of Kingpak Technology Inc. which have been pledged for purchases as of March 31, 2012. There are 1,133 thousand shares of Kingmac Technology Inc. which have been pledged for purchases as of March 31, 2012.

Note 4: The Company holds 100% of its shares through WPG International (CI) Ltd., WPI Investment Holding (BVI) Company Ltd. and World Peace International (BVI) Ltd.

(5) Marketable securities acquired or sold during the period ended March 31, 2012 in excess of \$100,000 or 20% of capital:

Name of transaction parties	Kind of marketable security	Name of marketable security	General ledger accounts	Name of transaction parties	Relationship	January 1, 2012		Addition		Disposal			March 31, 2012		
						Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sales amount	Cost	Disposal gain (loss)	Number of shares (in thousands)	Amount
Richpower Electronic Devices Co., Ltd.	Fund	Yuanta Wan Tai Bond Fund	Financial assets at fair value through profit or loss - current	Taiwan Cooperative Bank	None	-	\$ -	13,683	\$ 200,000	6,841	\$ 100,012	\$ 100,000	\$ 12	6,841	\$ 100,117 (Note)
Richpower Electronic Devices Co., Ltd.	Fund	Taishin Lucky Money Market Fund	Financial assets at fair value through profit or loss - current	Taiwan Cooperative Bank	None	-	-	11,177	120,000	11,177	120,143	120,000	143	-	-
Richpower Electronic Devices Co., Ltd.	Fund	082Mega Diamond Bond Fund	Financial assets at fair value through profit or loss - current	Taiwan Cooperative Bank	None	-	-	11,602	140,000	11,602	140,193	140,000	193	-	-

Note: The company invested \$100,000 and recognized gain on valuation of financial assets in the amount of \$117.

(6) Acquisition of real estate in excess of \$100,000 or 20% of capital:

Name of purchaser	Real estate	Date of transaction	Contract amount	Amount paid	Transaction party	Relationship	Transaction party are related party the former switch			Amount Decided	Purpose	Arrangement
							Owner	Relationship	Date			
AIT Japan, Inc.	Building	2012.3.30	\$ 110,396	\$ 110,396	Kume Katsuhiro	None	Not applicable	Not applicable	Not applicable	Market Price	Office use	The seller can use the building until June 30, 2012.

(7) Disposal of real estate in excess of \$100,000 or 20% of Capital: None.

(8) Purchases from or sales to related parties in excess of \$100,000 or 20% of capital: (Note 1)

Purchaser/ seller	Name of transaction parties	Relationship	Transaction terms				Description of and reasons for difference in transaction terms compared to non-related party transactions		Accounts or notes receivable (payable)			Note
			Purchases (sales)	Amount	Percentage of total	Credit terms	Unit price	Credit period	Balance	Percentage of total accounts or notes		
				(in thousands)	purchases (sales)				(in thousands)	receivable (payable)		
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(USD 11,586)	(2.46%)	Note 2	Note 2	Note 2	USD 5,941	2.82%		
WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Same ultimate parent company	Sales	(USD 6,095)	(1.30%)	Note 2	Note 2	Note 2	USD 4,706	2.24%		
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte., Ltd.	Same ultimate parent company	Sales	(USD 6,398)	(1.36%)	Note 2	Note 2	Note 2	USD 4,682	2.22%		
World Peace International (South Asia) Pte., Ltd.	World Peace International (China) Limited	Same ultimate parent company	Sales	(USD 12,409)	(14.91%)	Note 2	Note 2	Note 2	USD 10,770	17.77%		
WPG C&C Limited	WPI International Trading (Shanghai) Ltd.	Same ultimate parent company	Sales	(USD 4,124)	(8.22%)	Note 2	Note 2	Note 2	USD 2,344	12.29%		
WPG C&C Limited	WPI International (Hong Kong) Limited	Same ultimate parent company	Sales	(USD 4,408)	(8.78%)	Note 2	Note 2	Note 2	USD 1,839	9.65%		
Longview Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(\$ 107,461)	(16.07%)	Note 2	Note 2	Note 2	\$ 79,984	14.11%		
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Malaysia) SDN BHD	Same ultimate parent company	Sales	(USD 5,998)	(13.02%)	Note 2	Note 2	Note 2	USD 3,295	23.45%		
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Same ultimate parent company	Sales	(USD 17,037)	(36.98%)	Note 2	Note 2	Note 2	USD 4,778	34.00%		
Genuine C&C (South Asia) Pte., Ltd.	Genuine C&C (IndoChina) Pte Ltd.	Same ultimate parent company	Sales	(USD 9,327)	(20.25%)	Note 2	Note 2	Note 2	USD 2,181	15.52%		
Genuine C&C (Indo China) Pte Ltd.	P.T. WPG Electrindo Java	A subsidiary	Sales	(USD 8,962)	(95.69%)	Note 2	Note 2	Note 2	USD 3,830	75.98%		

Purchaser/ seller	Name of transaction parties	Relationship	Transaction terms				Description of and reasons for difference in transaction terms compared to non-related party transactions	Accounts or notes receivable (payable)				
			Purchases (sales)	Amount	Percentage of total	Credit terms		Unit price	Credit period	Balance	Percentage of total accounts or notes	Note
				(in thousands)	purchases (sales)					(in thousands)	receivable (payable)	
Silicon Application Company Limited	Silicon Application Corporation	Same ultimate parent company	Sales	(\$ 202,473)	(5.22%)	Note 4	Note 4	Note 4	\$ 91,358	2.66%		
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Same ultimate parent company	Sales	(\$ 308,838)	(14.20%)	Note 5	Note 5	Note 5	\$ 227,630	13.60%		
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	Same ultimate parent company	Sales	(\$ 297,899)	(13.70%)	Note 5	Note 5	Note 5	\$ 418,175	24.99%		
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	Same ultimate parent company	Sales	(\$ 225,854)	(18.85%)	Paid 90 days or 15 days after sales	Note 6	Note 6	\$ 83,886	8.60%		
Asian Information Technology Inc.	AIT Japan, Inc.	Same ultimate parent company	Sales	(\$ 264,971)	(11.29%)	Note 7	Note 7	Note 7	\$ 178,402	12.02%		
AITG Electronic Limited	Frontek Technology Corporation	Same ultimate parent company	Sales	(\$ 104,876)	(100%)	Note 7	Note 7	Note 7	\$ 49,524	100.00%		
Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Same ultimate parent company	Sales	(USD 10,939)	(5.41%)	75 days after sales	Note 4	Note 4	USD 2,902	3.06%		
Yosun Hong Kong Corp. Ltd.	Giatak Corp. Ltd.	Same ultimate parent company	Sales	(USD 21,973)	(10.87%)	75 days after sales	Note 4	Note 4	USD 2,731	2.88%		
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	Same ultimate parent company	Sales	(USD 5,205)	(2.58%)	75 days after sales	Note 4	Note 4	USD 6,854	7.22%		
Yosun Hong Kong Corp. Ltd.	Yosun Singapore Pte., Ltd.	Same ultimate parent company	Sales	(USD 4,016)	(1.99%)	75 days after sales	Note 4	Note 4	USD 677	0.71%		
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Same ultimate parent company	Sales	(USD 7,995)	(3.96%)	75 days after sales	Note 4	Note 4	USD 11,691	12.32%		

Purchaser/ seller	Name of transaction parties	Relationship	Transaction terms				Description of and reasons for difference in transaction terms compared to non-related party transactions		Accounts or notes receivable (payable)		Note
			Purchases (sales)	Amount (in thousands)	Percentage of total purchases (sales)	Credit terms	Unit price	Credit period	Balance (in thousands)	Percentage of total accounts or notes receivable (payable)	
Sertek Inc.	Sertek Limited	Same ultimate parent company	Sales	(\$ 602,822)	(18.31%)	60 days after sales	Note 6	Note 6	\$ 521,496	20.73%	
WPG China Inc.	WPI International (Hong Kong) Limited	Same ultimate parent company	Sales	(USD 6,081)	(42.00%)	Note 3	Note 3	Note 3	USD 1,542	15.34%	

Note 1: For the information of related party purchases or sales transactions of World Peace Industrial Co., Ltd., please refer to Note 5 -3) (1). For the information of related party purchases or sales transactions of Silicon Application Corporation, please refer to the information of

Silicon Application Corporation, on Note 5 -3) (2). For the information of related party purchases or sales transactions of Yosun Industrial Corp, please refer to Note 5-3) (3).

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~75 days from the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60 days from the month of sales.

Note 4: Similar to third parties.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the month of sales.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 7: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the month of sales.

(9) Receivable from related parties in excess of \$100,000 or 20% of capital:

Name of creditor	Transaction parties	Relationship	Balance of receivable from related parties (Note)			Overdue receivables		Subsequent collections (in thousands)	Allowance for doubtful accounts provided
			(in thousands)	Turnover rate	Amount	Action adopted for overdue accounts			
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	Accounts receivable	\$ 1,238,896	6.26	\$ -	-	\$ 530,512	\$ -
World Peace Industrial Co., Ltd.	Gain Tune Ltd.	Same ultimate parent company	Accounts receivable	\$ 150,108	6.74	\$ -	-	\$ 53,064	\$ -
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Same ultimate parent company	Accounts receivable	\$ 227,630	5.93	\$ -	-	\$ 81,552	\$ -
Richpower Electronic Devices Co., Ltd.	WPG Electronic (HK) Limited	Same ultimate parent company	Accounts receivable	\$ 418,175	2.58	\$ -	-	\$ 118,856	\$ -
Asian Information Technology Inc.	AIT Japan, Inc.	Same ultimate parent company	Accounts receivable	\$ 178,402	4.93	\$ -	-	\$ -	\$ -
Asian Information Technology Inc.	Frontek Technology Corporation	Same ultimate parent company	Other receivables	\$ 250,479	Not applicable	\$ -	-	\$ -	\$ -
World Peace International (South Asia) Pte., Ltd.	World Peace International (China) Limited	Same ultimate parent company	Accounts receivable	USD 10,770	3.96	\$ -	-	USD 2,022	\$ -
World Peace International (South Asia) Pte., Ltd.	WPG Americas Inc.	Same ultimate parent company	Other receivables	USD 13,576	Not applicable	\$ -	-	\$ -	\$ -
World Peace International (South Asia) Pte., Ltd.	World Peace International Pte., Ltd.	Same ultimate parent company	Other receivables	USD 8,421	Not applicable	\$ -	-	\$ -	\$ -
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Accounts receivable	USD 5,941	8.63	\$ -	-	USD 3,504	\$ -
WPI International (Hong Kong) Limited	WPG C&C Limited	Same ultimate parent company	Other receivables	USD 8,108	Not applicable	\$ -	-	USD 100	\$ -
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte. Ltd.	Same ultimate parent company	Accounts receivable	USD 4,682	4.75	\$ -	-	\$ -	\$ -
WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Same ultimate parent company	Accounts receivable	USD 4,706	6.04	\$ -	-	USD 2,584	\$ -

Name of creditor	Transaction parties	Relationship	Balance of receivable from related parties (Note)				Overdue receivables		Subsequent collections (in thousands)	Allowance for doubtful accounts provided
				(in thousands)	Turnover rate	Amount	Action adopted for overdue accounts			
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Same ultimate parent company	Accounts receivable	USD	4,778	11.14	\$ -	-	USD 4,337	\$ -
Genuine C&C (Indo China) Pte Ltd.	P.T. WPG Electrindo Jaya	Subsidiary company	Accounts receivable	USD	3,830	9.36	\$ -	-	\$ -	\$ -
Gain Tune Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	Other receivables	USD	19,547	Not applicable	\$ -	-	\$ -	\$ -
WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	Same ultimate parent company	Other receivables	USD	4,639	Not applicable	\$ -	-	\$ -	\$ -
Silicon Application Corporation	WPG Electronics (HK) Limited	Same ultimate parent company	Accounts receivable	\$	313,549	4.32	\$ -	-	\$ 47,380	\$ -
Silicon Application (BVI) Corporation	Silicon Application Corporation	Same ultimate parent company	Other receivables	\$	282,017	Not applicable	\$ -	-	\$ -	\$ -
Silicon Application (BVI) Corporation	Silicon Application Company Limited	Same ultimate parent company	Other receivables	\$	281,637	Not applicable	\$ -	-	\$ -	\$ -
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Same ultimate parent company	Accounts receivable	\$	1,307,295	1.10	\$ -	-	\$ -	\$ -
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Same ultimate parent company	Other receivables	\$	8,396	Not applicable	\$ -	-	\$ -	\$ -
Yosun Industrial Corp.	Sertek Limited	Same ultimate parent company	Accounts receivable	\$	109,400	20.62	\$ -	-	\$ -	\$ -
Sertek Incorporated	Sertek Limited	Same ultimate parent company	Accounts receivable	\$	521,496	4.83	\$ -	-	\$ 98,455	\$ -
Sertek Incorporated	Sertek Limited	Same ultimate parent company	Accounts receivable	\$	7,254	Not applicable	\$ -	-	\$ 7,254	\$ -
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Same ultimate parent company	Accounts receivable	USD	11,691	2.84	\$ -	-	USD 34	\$ -
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	Same ultimate parent company	Accounts receivable	USD	6,854	4.02	\$ -	-	USD 429	\$ -
AECO Electronic Co., Ltd.	AECO Electronic (Ningbo) Co., Ltd.	Same ultimate parent company	Accounts receivable	USD	3,647	1.79	\$ -	-	\$ -	\$ -

(10) Information on derivative transactions (Unit: in thousands of dollars):

The information on derivative transactions of investee companies for the three-month period ended March 31, 2012 are as follows:

1. Derivative transactions of World Peace Industrial Co., Ltd.

-There is no unsettled derivative transaction as of March 31, 2012.

-The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$38.

2. Derivative transactions of Silicon Application Corporation

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy NTD/Sell USD	USD 2,000	2012.03.20~2012.04.25

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$785.

3. Derivative transactions of Richpower Electronic Devices Co., Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy NTD/ Sell USD	USD 1,000	2012.03.14~2012.04.16

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$380.

4. Derivative transactions of Pemas Electronics Co., Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - SWAP - Buy NTD/Sell USD	USD 6,910	2012.03.21~2012.04.30

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$6,902.

5. Derivative transactions of Everwiner Enterprise Co., Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract – SWAP - Buy NTD/ Sell USD	USD 5,000	2011.11.15~2012.04.23

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$2,264.

6. Derivative transactions of Longview Technology Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract – Buy NTD/ Sell USD	USD 360	2012.02.02~2012.04.06
Forward foreign currency contract – SWAP - Buy NTD/ Sell USD	USD 733	2012.02.06~2012.06.05

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$229.

7. Derivative transactions of Genuine C&C (South Asia) Pte. Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy USD/Sell MYR	USD 2,500	2012.02.28~2012.04.30

The net loss recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to USD63 thousand.

8. Derivative transactions of WPG C&C (Thailand) Co., Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy USD/Sell THB	USD 1,850	2012.02.20~2012.07.31

The net loss recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to THB568 thousand.

9. Derivative transactions of World Peace International (South Asia) Pte., Ltd.

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy SGD/Sell USD	USD 1,000	2012.03.14~2012.04.16

The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to USD11 thousand.

10. Derivative financial instrument transactions which MEC Technology Co., Ltd. entered into are summarized as follows:

- There is no unsettled derivative transaction as of March 31, 2012.
- The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$167.

11. Derivative financial instrument transactions which Frontek Technology Corporation entered into are summarized as follows:

- There is no unsettled derivative transaction as of March 31, 2012.
- The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$285.

12. Derivative financial instrument transactions which WPG C&C Computers And Peripheral (India) Private Limited entered into are summarized as follows:

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy USD/Sell INR	USD 3,000	2012.03.20~2012.04.20

-The net loss recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to INR5,742 thousand.

13. Derivative financial instrument transactions which AECO Technology Co., Ltd. entered into are summarized as follows:

<u>Derivative transactions</u>	<u>Principal amount</u>	<u>Contract period</u>
Forward foreign currency contract - Buy NTD/Sell USD	USD 7,980	2012.04.20~2012.05.21

-The net gain recognized on forward foreign currency contracts for the three-month period ended March 31, 2012 amounted to \$5,621.

3) Disclosure of information on indirect investments in Mainland China

The disclosure information of the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements.

(1) Basic information

Name of investee in Mainland China	Main activities of investee	Capital (Note 10) (in thousands)	Method of investment	Accumulated remittance as of January 1, 2012 (Note 10) (in thousands)	Remitted or collected during the three-month period ended March 31, 2012		Accumulated remittance as of March 31, 2012 (Note 10) (in thousands)	Ownership held by the Company (direct and indirect)	Investment income (loss) recognized by the Company during the period (Note 11)	Ending balance of investment (in thousands)	Investment income (loss) remitted back as of March 31, 2012
					Remitted out (Note 10)	Collected					
WPG China Inc.	Sales of electronic components	\$ 391,893	Note 1	\$ 393,604	\$ -	\$ -	\$ 393,604	100.00%	\$ 4,481	\$ 539,177	\$ -
WPI International Trading (Shenzhen) Ltd.	Sales of electronic components	94,432	Note 1	94,432	-	-	94,432	100.00%	864	144,410	-
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehouse business	29,510	Note 1	27,680	-	-	27,680	49.00%	(1,297)	36,014	-
WPI Logistics (Shanghai) Ltd.	Warehouse business/extra work	37,389	Note 1	14,637	-	-	14,637	40.00%	551	17,510	-
WPI International Trading (Shanghai) Ltd.	Sales of electronic components	196,242	Note 1	19,182	-	-	19,182	100.00%	2,824	136,826	-
Suzhou Xinning Logistics Co., Ltd.	Warehouse business	62,443	Note 1	18,149	-	-	18,149	29.40%	(326)	29,126	-
AIO (Shanghai) Components Company Limited	Sales of electronic components	5,902 (Note 8)	Note 1	-	-	-	-	100.00%	1,248	28,453	-
Software World Limited	Sales of electronic components	- (Note 4)	Note 1	5,459	-	-	5,459	-	-	-	-
Mec Technology (Shanghai) Co., Ltd.	Sales of electronic components	- (Note 2)	Note 1	14,755	-	-	14,755	-	-	-	-
WPG China (SZ) Inc.	Sales of computer software and electronic components	83,644 (Note 9)	Note 1	46,042	-	-	46,042	100.00%	7,359	176,086	-
Silicon Application (Shanghai) Ltd.	Sales of computer software and electronic components	- (Note 3)	Note 1	6,463	-	-	6,463	-	-	-	-
Silicon Application (Wuhon) Ltd.	Sales of computer software information systems	- (Note 5)	Note 1	6,286	-	-	6,286	-	-	-	-
World Components Agent (Shanghai) Inc.	Sales of electronic components	5,902	Note 1	5,902	-	-	5,902	100.00%	(83)	4,699	-
Arise Component Corp.	Sales of electronic components	- (Note 7)	Note 1	23,608	-	-	23,608	-	-	-	-
Asian Information Technology Co., Ltd.	Sales of electronic components	- (Note 6)	Note 1	100,334	-	59,020	41,314	-	-	-	-

Name of investee in Mainland China	Main activities of investee	Capital (Note 10) (in thousands)	Method of investment	Accumulated remittance as of January 1, 2012 (Note 10) (in thousands)	Remitted or collected during the three-month period ended March 31, 2012		Accumulated remittance as of March 31, 2012 (Note 10) (in thousands)	Ownership held by the Company (direct and indirect)	Investment income (loss) recognized by the Company during the period (Note 11)	Ending balance of investment (in thousands)	Investment income (loss) remitted back as of March 31, 2012
					Remitted out (Note 10)	Collected					
Zheng Ding Technology (Shenzhen) Co., Ltd.	Sales of electronic components	\$ 37,773	Note 1	\$ 37,773	\$ -	\$ -	\$ 37,773	100.00%	(\$ 1,098)	\$ 41,166	\$ -
Jaking Technology Corp.	Sales of electronic components	-	Note 1	33,346	-	36,743	-	-	-	-	-
		(Note 7)									
AECO Electronic (Ningbo) Co., Ltd.	Import and export of electronic components	115,679	Note 1	115,679	-	-	115,679	100.00%	(12,017)	105,351	-
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehouse business	227,230	Note 1	227,230	-	-	227,230	100.00%	3,145	306,815	-
Yosun South China Corp. Ltd.	Sales of electronic components	126,893	Note 1	-	-	-	-	100.00%	(831)	159,502	-
Sertek (Shanghai) Limited	Sales of electronic components	73,775	Note 1	-	-	-	-	100.00%	89	77,493	-
Xiang Mao Electronics (SZ) Corp. Ltd.	Sales of electronic components	8,853	Note 1	8,853	-	-	8,853	32.22%	(119)	3,158	-
Siltrontech Electronics (Shanghai) Corp.	Sales of electronic components	5,902	Note 1	5,902	-	-	5,902	32.22%	326	1,357	-
Dongguan Lipers Electronics Co., Ltd.	Manufacturing	77,021	Note 1	77,021	-	-	77,021	43.08%	(1,128)	(7,259)	-
Lipers Electronic (SZ)	Sales of electronic components	14,755	Note 1	-	14,755	-	14,755	43.08%	(534)	5,813	-

(Note 1): Investment through a holding company registered in a country other than Taiwan and Mainland China.

(Note 2): It was liquidated in March, 2011.

(Note 3): It was liquidated in the fourth quarter, 2009.

(Note 4): It was liquidated in December, 2008.

(Note 5): It was dissolved in November, 2007.

(Note 6): It was disregistered in October, 2011.

(Note 7): It was disregistered in December, 2011. Due to the effect of currency exchange, the return on investment in TWD was more than the original investment cost.

(Note 8): WPI International (Hong Kong) Limited acquired AIO Components Company Limited on July 1, 2010, and AIO (Shanghai) Company Limited became the Company's indirect subsidiary. The investment of USD469 thousand in AIO (Shanghai) Company Limited was permitted by Investment Commission.

(Note 9): WPG International (Hong Kong) Limited invested in WPG China (SZ) Inc. in the amount of HKD10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

(Note 10): Exchange rate as of March 31, 2012 was USD 1: NTD 29.51. and HKD 1: NTD 3.802. The unit expressed is in thousands of dollars.

(Note 11): The ending balance of investments was calculated based on combined ownership percentage held by the Company.

(Note 12): The investment income or loss was recognized based on the unreviewed financial statements.

(2) The ceiling of investment amount in Mainland China

<u>Company</u>	<u>Accumulated amount remitted out of Taiwan to Mainland China (Note 1)</u>	<u>Investment amount approved by the Investment Commission (Note 1)</u>	<u>Ceiling of investment amount of the company (Note 2)</u>
WPG Holdings Limited	\$ 457,795	\$ 1,936,215	\$ 24,165,907
World Peace Industrial Co., Ltd.	155,931	393,042	7,670,351
Richpower Electronic Devices Co., Ltd.	20,214	14,755	1,253,960
Silicon Application Corp.	12,749	18,528	2,229,757
Pernas Electronics Co., Ltd.	29,510	29,510	558,395
Asian Information Technology Inc.	75,693	118,040	2,285,740
Yosun Industrial Corp.	227,230	435,689	5,562,371
Sertek Incorporated	-	73,775	865,282
Siltrontech Electronics Corp.	14,755	14,755	422,117
Lipers Enterprise Co., Ltd.	91,776	77,021	369,868
AECO Technology Co., Ltd.	115,679	115,679	1,042,899

(Note 1): Exchange rate as of March 31, 2012 was USD 1: NTD 29.51 and HKD 3.802.

(Note 2): The ceiling of investment amount of the company is calculated based on the investor's net assets.

(Note 3): Richpower Electronic Devices Co., Ltd. had cancelled USD 185 thousand of the investment amount from Investment Commission. Since the investee had liquidated but the investment was not remitted back, the investment amount was included in the accumulated amount remitted out of Taiwan to Mainland China.

(Note 4): Lipers Enterprise Co., Ltd. invested in Liper Electronic (SZ) Co., Ltd. in the amount of USD500 thousand in February, 2012. As the investment amount is lower than USD1 million, the Company needs to prepare the documents and apply with the Financial Supervisory Commission within six months after investing.

(3) Significant direct or indirect transactions of the Company with the investee companies in Mainland China: Please refer to Note 2 8).

4) The relationship and significant transactions between the Company and its subsidiaries for the three-month periods ended March 31, 2012 and 2011.

The disclosure information of the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements.

2012:

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			
				Subject	Amount	Transaction terms	
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Sales	\$ 1,908,263	Note 5	2.36
1	World Peace Industrial Co., Ltd.	Gain Tune Ltd.	3	Sales	212,903	Note 5	0.26
2	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Sales	343,803	Note 4	0.43
2	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	3	Sales	180,855	Note 4	0.22
2	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	Sales	189,846	Note 4	0.23
3	Genuine C&C (South Asia) Pte Ltd.	WPG C&C (Malaysia) SDN BHD	3	Sales	177,977	Note 4	0.22
3	Genuine C&C (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	Sales	505,535	Note 4	0.63
3	Genuine C&C (South Asia) Pte Ltd.	Genuine C&C (Indochina) Pte Ltd.	3	Sales	276,758	Note 4	0.34
4	World Peace International (South Asia) Pte Ltd.	World Peace International (China) Limited	3	Sales	368,209	Note 4	0.46
5	Longview Technology Inc.	World Peace Industrial Co., Ltd.	3	Sales	107,461	Note 4	0.13
6	WPG C&C Limited	WPI International Trading (Shanghai) Ltd.	3	Sales	122,370	Note 4	0.15
6	WPG C&C Limited	WPI International (Hong Kong) Limited	3	Sales	130,798	Note 4	0.16
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	Sales	262,170	Note 6	0.32
8	Silicon Application Company Limited	Silicon Application Corp.	3	Sales	202,473	Note 18	0.25
9	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	Sales	308,838	Note 7	0.38
9	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	Sales	297,899	Note 7	0.37
10	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	Sales	225,854	Notes 8 and 10	0.28
11	Asian Information Technology Inc.	AIT Japan, Inc.	3	Sales	264,971	Note 9	0.33
12	AITG Electronic Limited	Frontek Technology Corporation	3	Sales	104,876	Note 9	0.13
13	Yosun Industrial Corp.	Sertek Limited	3	Sales	493,190	Note 11	0.61
13	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	Sales	444,191	Note 11	0.55
13	Yosun Industrial Corp.	Sertek Incorporated	3	Sales	219,500	Note 11	0.27
14	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	Sales	324,532	Notes 12 and 15	0.40

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			Percentage of total combined revenue or total assets (Note 3)
				Subject	Amount	Transaction terms	
14	Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	3	Sales	\$ 652,000	Notes 12 and 15	0.81
14	Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	3	Sales	154,447	Notes 12 and 15	0.19
14	Yosun Hong Kong Corp. Ltd.	Yosun Singapore Pte Ltd.	3	Sales	119,166	Notes 12 and 15	0.15
14	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	Sales	237,234	Notes 12 and 15	0.29
15	Sertek Incorporated	Sertek Limited	3	Sales	602,822	Notes 8 and 16	0.75
16	WPG China Inc.	WPI International (Hong Kong) Limited	3	Sales	180,440	Note 5	0.22
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	1,238,896	Note 5	1.06
1	World Peace Industrial Co., Ltd.	Gain Tune Ltd.	3	Accounts receivable	150,108	Note 5	0.13
2	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Accounts receivable	175,321	Note 4	0.15
2	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	Accounts receivable	138,166	Note 4	0.12
2	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	3	Accounts receivable	138,874	Note 4	0.12
3	Genuine C&C (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	Accounts receivable	140,999	Note 4	0.12
4	World Peace International (South Asia) Pte Ltd.	World Peace International (China) Limited	3	Accounts receivable	317,823	Note 4	0.27
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	Accounts receivable	313,549	Note 6	0.27
9	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	Accounts receivable	227,630	Note 7	0.19
9	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	Accounts receivable	418,175	Note 7	0.36
11	Asian Information Technology Inc.	AIT Japan, Inc.	3	Accounts receivable	178,402	Note 9	0.15
13	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	Accounts receivable	1,307,295	Note 11	1.12
13	Yosun Industrial Corp.	Sertek Limited	3	Accounts receivable	109,400	Note 11	0.09
14	Yosun Hong Kong Corp Ltd.	Yosun South China Corp. Ltd.	3	Accounts receivable	202,262	Notes 12 and 15	0.17
14	Yosun Hong Kong Corp Ltd.	Yosun Shanghai Corp. Ltd.	3	Accounts receivable	345,001	Notes 12 and 15	0.30
15	Sertek Incorporated	Sertek Limited	3	Accounts receivable	521,496	Notes 8 and 16	0.45
17	AECO Technology Inc.	AECO Electronic (Ningbo) Co., Ltd	3	Accounts receivable	107,623	Note 17	0.09
0	WPG Holding Limited	World Peace Industrial Co., Ltd.	1	Other receivables	106,269	Note 13	0.09
2	WPI International (Hong Kong) Limited	WPG C&C Limited	3	Other receivables	239,267	Note 14	0.20
4	World Peace International (South Asia) Pte Ltd.	World Peace International Pte., Ltd.	3	Other receivables	248,504	Note 14	0.21
4	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	3	Other receivables	400,628	Note 14	0.34

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			Percentage of total combined revenue or total assets (Note 3)
				Subject	Amount	Transaction terms	
11	Asian Information Technology Inc.	Frontek Technology Corporation	3	Other receivables	\$ 250,479	Note 14	0.21
18	Gain Tune Ltd.	WPI International (Hong Kong) Limited	3	Other receivables	576,832	Note 14	0.49
19	WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	3	Other receivables	136,897	Note 14	0.12
20	Silicon Application (BVI) Corporation	Silicon Application Corp.	3	Other receivables	282,017	Note 14	0.24
20	Silicon Application (BVI) Corporation	Silicon Application Company Limited	3	Other receivables	281,637	Note 14	0.24

Note 1: The transaction information of the Company and the consolidated subsidiaries are noted in column "Number". The number means:

1. Number 0 represents the Company.
2. The consolidated subsidiaries are in order from number 1.

Note 2: The relationship with the transaction parties are as follows:

1. The Company to the consolidated subsidiary.
2. The consolidated subsidiary to the Company.
3. The consolidated subsidiary to another consolidated subsidiary.

Note 3: Ratios of asset/liability are divided by consolidated total assets, and ratios of gain/loss accounts are divided by consolidated sales revenue.

Note 4: The price is based on the negotiation by both parties to the contract agreed to; collections are made within 30-75 days from the month of sale.

Note 5: The price is based on the negotiation by both parties to the contract agreed to; collections are made within 60 days from the month of sale.

Note 6: The terms and sales prices are similar to third parties.

Note 7: The price is based on the negotiation by both parties to the contract agreed to; collections are made within 60-120 days from the month of sale.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market, competition and other conditions.

Note 9: The price is based on the negotiation by both parties to the contract agreed to; collections are made within 30-120 days from the month of sale.

Note 10: The collection is within 90 days from the month of sale or 15 days after sale.

Note 11: The price is based on the cost plus a determined profit. The collection period is similar to third parties.

Note 12: The collection period is 75 days after sale.

Note 13: Mainly receivables arising from filing consolidated income tax returns under the consolidated income tax return system and payments on behalf of others.

Note 14: Mainly accrued financing charges.

Note 15: The price is similar to the general customer.

Note 16: The collection period is 60 days after sale.

Note 17: The price is based on the cost plus a determined profit. The collection period is 1-3 months longer than third parties.

Note 18: The terms and sales prices were negotiated by both parties.

2011:

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			Percentage of total combined revenue or total assets (Note 3)
				Subject	Amount	Transaction terms	
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Sales	\$ 1,104,373	Note 4	1.38
1	World Peace Industrial Co., Ltd.	Gain Tune Ltd.	3	Sales	167,091	Note 4	0.21
1	World Peace Industrial Co., Ltd.	World Peace International (China) Limited	3	Sales	160,773	Note 4	0.20
2	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Sales	602,860	Note 4	0.76
2	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	3	Sales	147,447	Note 4	0.18
2	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	Sales	111,421	Note 4	0.14
2	WPI International (Hong Kong) Limited	Silicon Application Company Limited	3	Sales	178,079	Note 4	0.22
3	Genuine C&C (South Asia) Pte Ltd.	WPG C&C (Malaysia) SDN BHD	3	Sales	106,437	Note 4	0.13
3	Genuine C&C (South Asia) Pte Ltd.	WPG C&C Computer And Peripheral (India) Private Limited	3	Sales	373,571	Note 4	0.47
4	Gain Tune Ltd.	World Peace Industrial Co., Ltd.	3	Sales	142,095	Note 4	0.18
4	Gain Tune Ltd.	WPG C&C Limited	3	Sales	1,372,955	Note 4	1.72
5	World Peace International (South Asia) Pte Ltd.	World Peace International (China) Limited	3	Sales	347,775	Note 4	0.44
6	Longview Technology Inc.	World Peace Industrial Co., Ltd.	3	Sales	124,313	Note 4	0.16
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	Sales	234,030	Note 6	0.29
8	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	Sales	424,079	Note 5	0.53
8	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	Sales	262,881	Note 5	0.33
9	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	Sales	194,466	Note 5	0.24
9	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	Sales	151,404	Note 5	0.19
10	World Components Agent (Shanghai) Inc.	Pernas Electronics Co., Ltd.	3	Sales	365,652	Note 8	0.46
10	World Components Agent (Shanghai) Inc.	Everwiner Enterprise Co., Ltd.	3	Sales	279,457	Note 9	0.35
11	Asian Information Technology Inc.	AIT Japan, Inc.	3	Sales	385,416	Note 7	0.48
12	Frontek Technology Corporation	World Peace Industrial Co., Ltd.	3	Sales	102,544	Note 7	0.13
13	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd	3	Sales	600,468	Note 10	0.75
13	Yosun Industrial Corp.	Sertek Limited	3	Sales	198,619	Note 10	0.25
14	Yosun Hong Kong Corp. Ltd	Yosun Industrial Corp.	3	Sales	509,703	Note 10	0.64
14	Yosun Hong Kong Corp. Ltd	Giatak Corporation Ltd.	3	Sales	376,620	Note 11	0.47
14	Yosun Hong Kong Corp. Ltd	Yosun Shanghai Corp. Ltd	3	Sales	229,085	Note 11	0.29

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			Percentage of total combined revenue or total assets (Note 3)
				Subject	Amount	Transaction terms	
15	Giitek Corporation Ltd.	Yosun Hong Kong Corp. Ltd	3	Sales	\$ 373,630	Note 11	0.47
16	Sertek Incorporated	Sertek Limited	3	Sales	962,820	Note 12	1.21
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	699,940	Note 4	0.68
1	World Peace Industrial Co., Ltd.	World Peace International (China) Limited	3	Accounts receivable	148,975	Note 4	0.14
2	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Accounts receivable	304,314	Note 4	0.29
2	WPI International (Hong Kong) Limited	Silicon Application Company Limited	3	Accounts receivable	361,914	Note 4	0.35
3	Genuine C&C (South Asia) Pte Ltd	WPG C&C Computer And Peripheral (India) Private Limited	3	Accounts receivable	192,923	Note 4	0.19
4	World Peace International (South Asia) Pte Ltd.	World Peace International (China) Limited	3	Accounts receivable	328,310	Note 4	0.32
5	Gain Tune Ltd.	WPG C&C Cimited	3	Accounts receivable	369,176	Note 4	0.36
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	Accounts receivable	272,700	Note 6	0.26
8	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	Accounts receivable	276,086	Note 5	0.27
8	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	Accounts receivable	375,529	Note 5	0.36
9	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Limited	3	Accounts receivable	168,462	Note 5	0.16
9	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	Accounts receivable	142,384	Note 5	0.14
11	Asian Information Technology Inc.	AIT Japan, Inc.	3	Accounts receivable	273,887	Note 7	0.27
13	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	Accounts receivable	120,624	Note 10	0.12
14	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	Accounts receivable	151,853	Note 10	0.15
14	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	Accounts receivable	194,108	Note 10	0.19
17	Sertek Incorporated	Sertek Limited	3	Accounts receivable	621,792	Note 12	0.60
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Other receivables	182,239	Note 13	0.18
18	WPG C&C Limited	Gain Tune Ltd.	3	Other receivables	223,528	Note 14	0.22
5	World Peace International (South Asia) Pte. Ltd.	World Peace International Pte Ltd	3	Other receivables	197,274	Note 14	0.19
5	World Peace International (South Asia) Pte. Ltd.	WPG Americas Inc.	3	Other receivables	371,645	Note 14	0.36
1	World Peace Industrial Co., Ltd.	WPG Americas Inc.	3	Other receivables	148,079	Note 14	0.14
7	Silicon Application Corp.	WPG Holdings Limited	2	Other receivables	301,180	Note 14	0.29
19	Silicon Application (BVI) Corporation	Silicon Application Corp.	3	Other receivables	296,514	Note 14	0.29
20	Apache Communication Inc.	Frontek Technology Corporation	3	Other receivables	198,684	Note 14	0.19
20	Apache Communication Inc.	WPG Holdings Limited	2	Other receivables	100,395	Note 14	0.10

Number (Note 1)	Name of counterparty	Name of transaction parties	Relationship (Note 2)	Transaction terms			Percentage of total combined revenue or total assets (Note 3)
				Subject	Amount	Transaction terms	
8	Richpower Electronic Devices Co., Ltd.	WPG Holdings Limited	2	Other receivables	\$ 150,610	Note 14	0.15
11	Asian Information Technology Inc.	WPG Americas Inc.	3	Other receivables	177,496	Note 14	0.17

Note 1: The transaction information of the Company and the consolidated subsidiaries are noted in column "Number". The number means:

1. Number 0 represents the Company.
2. The consolidated subsidiaries are in order from number 1.

Note 2: The relationship with the transaction parties are as follows:

1. The Company to the consolidated subsidiary.
2. The consolidated subsidiary to the Company.
3. The consolidated subsidiary to another consolidated subsidiary.

Note 3: Ratios of asset/liability are divided by consolidated total assets, and ratios of gain/loss accounts are divided by consolidated sales revenue.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 30-60 days.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 60-120 days.

Note 6: The terms and sales prices are similar to third parties.

Note 7: The price is based on the negotiation by both parties to the contract agreed to; collections are made within 30-120 days.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market, competition and other conditions.

Note 9: The terms and sales prices were negotiated by both parties.

Note 10: The collection period was 45 days after netting payment.

Note 11: The collection period was 75 days after netting payment.

Note 12: The collection period was 90 days after netting payment.

Note 13: Mainly receivables arising from filing consolidated income tax returns under the consolidated income tax return system and payments on behalf of others.

Note 14: Mainly accrued financing charges.

12. OPERATING SEGMENT INFORMATION

1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups, which includes World Peace Industrial Co., Ltd. and its subsidiaries, Silicon Application Corp. and its subsidiaries, Asian Information Technology Inc. and its subsidiaries, Yosun Industrial Corp. and its subsidiaries and others.

2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

3) Information on segment profit (loss) and assets

The segment information of the reportable segments provided to the chief operating decision-maker for the three-month periods ended March 31, 2012 and 2011 is as follows:

2012:	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 33,549,743	\$ 9,677,527	\$ 8,381,336	\$ 19,910,276	\$ 9,334,922	\$ -	\$ 80,853,804
Revenue from internal customers	217,958	354,224	168,774	43,795	738,363	(1,523,114)	-
Total revenue	<u>\$ 33,767,701</u>	<u>\$ 10,031,751</u>	<u>\$ 8,550,110</u>	<u>\$ 19,954,071</u>	<u>\$ 10,073,285</u>	<u>(\$ 1,523,114)</u>	<u>\$ 80,853,804</u>
Segment profit (loss)	<u>\$ 800,858</u>	<u>\$ 314,319</u>	<u>\$ 193,972</u>	<u>\$ 547,172</u>	<u>(\$ 31,554)</u>	<u>\$ 234,114</u>	<u>\$ 2,058,881</u>
Net income (loss)	<u>\$ 451,326</u>	<u>\$ 116,759</u>	<u>\$ 78,005</u>	<u>\$ 155,944</u>	<u>\$ 140,649</u>	<u>(\$ 3,719)</u>	<u>\$ 938,964</u>
Total assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2011:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 33,683,831	\$ 9,161,160	\$ 8,221,218	\$ 20,450,900	\$ 8,258,574	\$ -	\$ 79,775,683
Revenue from internal customers	360,928	277,540	174,144	20,118	831,894	(1,664,624)	-
Total revenue	<u>\$ 34,044,759</u>	<u>\$ 9,438,700</u>	<u>\$ 8,395,362</u>	<u>\$ 20,471,018</u>	<u>\$ 9,090,468</u>	<u>(\$ 1,664,624)</u>	<u>\$ 79,775,683</u>
Segment profit (loss)	<u>\$ 997,302</u>	<u>\$ 317,969</u>	<u>\$ 241,912</u>	<u>\$ 648,140</u>	<u>(\$ 31,165)</u>	<u>\$ 206,935</u>	<u>\$ 2,381,093</u>
Net income (loss)	<u>\$ 642,349</u>	<u>\$ 169,231</u>	<u>\$ 122,011</u>	<u>\$ 273,437</u>	<u>\$ 114,453</u>	<u>(\$ 3,863)</u>	<u>\$ 1,317,618</u>
Total assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: According to EITF 99-151, "Explanation for Segment Reporting", of the R.O.C. Accounting Research and Development Foundation, dated June 28, 2010, enterprises should disclose the measurement amount of reportable segment assets in accordance with paragraph 24 of R.O.C. SFAS No. 41, "Operating Segments". As the Company does not provide the measurement amount of assets to the chief operating decision-maker, measurement amount of assets to be disclosed is \$0.

4) Reconciliation information for segment profit (loss)

The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of income. As a result, reconciliation is not needed.

13. DISCLOSURES RELATING TO THE ADOPTION OF IFRSs

Pursuant to the regulations of the Financial Supervisory Commission, Executive Yuan, R.O.C. (FSC) 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, International Accounting Standards, relevant interpretations and interpretative bulletins (IFRSs) and Regulations Governing the Preparation of Financial Reports by Securities Issuers which is applicable in 2013 that are ratified by FSC.

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 FSC, dated February 2, 2010:

(1) Major contents and status of execution of the Company's plan for IFRSs adoption:

The Company has established the IFRSs taskforce headed by the Company's general manager, 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. Establish the IFRSs taskforce	Completed
b. Setting up a plan relative to the Group's transition to IFRSs	Completed
c. Identification of the differences between current accounting policies and IFRSs	Completed
d. Identification of consolidated entities under IFRSs	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 adjustments of information system	Completed
g. Evaluation of modification to the relevant internal controls	Completed
h. Determine 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 opening date of IFRSs	Completed

Working Items for IFRSs Adoption	Status of Execution
k. Preparation of comparative financial information under IFRSs for 2012	In progress according to the plan
l. Modification of relevant internal controls (including financial reporting process and relevant information system)	Completed

- (2) 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 FSC 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 FSC or relevant interpretations or amendments to the “Rules Governing the Preparation of Financial Statements by Securities Issuers” come in the future.

In consideration of exemptions and options available under IFRS 1, “First-time Adoption of International Financial Reporting Standards (please refer to 13.(3))”, material differences identified by the Company 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 are set forth below:

A. Reconciliation of material differences in the balance sheet as of January 1, 2012

	Current Accounting Policies	Adjustments	IFRSs	Explanation
Deferred income tax assets - current	\$ 171,216	(\$ 171,216)	\$ -	(a)
Other current assets	97,784,483	(16)	97,784,467	
Available-for-sale financial assets - non-current	182,545	(10,961)	171,584	(b) and (c)
Financial assets carried at cost - non-current	440,575	(135,966)	304,609	(c) and (d)
Long-term investments accounted for under the equity method	423,657	193,343	617,000	(d)
Property, Plant and equipment, net	4,022,749	8	4,022,757	

	Current Accounting Policies	Adjustments	IFRSs	Explanation
Deferred pension cost	\$ 14,922	(\$ 14,922)	\$ -	(e)
Deferred income tax assets - non-current	-	487,346	487,346	(f)
Other non-current assets (including other assets)	5,981,306	1,747	5,983,053	
Total Assets	\$109,021,453	\$ 349,363	\$109,370,816	
Accrued expenses	3,628,085	89,486	3,717,571	(g)
Other current liabilities	63,051,607	-	63,051,607	
Accrued pension liabilities	289,122	180,890	470,012	(h)
Deferred income tax liabilities - non-current	165,329	261,323	426,652	(i)
Other non-current liabilities (including other liabilities)	4,074,064	-	4,074,064	
Total liabilities	\$ 71,208,207	\$ 531,699	\$ 71,739,906	
Undistributed earnings	5,251,868	(227,598)	5,024,270	(b), (f), (g) and (h)
Other stockholders' equity	32,561,378	45,262	32,606,640	
Total stockholders' equity	\$ 37,813,246	(\$ 182,336)	\$ 37,630,910	

Description of the reconciliation of significant differences:

- (a) The decrease in deferred income tax assets - current in the amount of \$171,216 is due to the following:

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.

- (b) The decrease in available-for-sale financial assets - non-current in the amount of \$10,961 is due to the following:

1) Before the amendment of "Rules Governing the Preparation of Financial Statements by Securities Issuers", dated July 7, 2011, unlisted stocks held by the Group 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. According to "Rules Governing the Preparation of Financial Statements by Securities Issuers" revised as of December 22, 2011, the subsidiaries designated "Financial assets carried at cost - non current" as "Available-for-sale financial assets - non-current" at the date of transition to IFRSs.

- 2) The subsidiary did not use equity method on its investee which the subsidiary holds less than 20% ownership as the subsidiary does not have significant influence under the current accounting standards. However, in accordance with IAS 28, "Investments in Associates", after considering the criteria for significant influence, the accounting treatment for a certain investment was changed from "Financial assets carried at cost" to "Long-term investments accounted for under equity method". Accordingly, there is an increase in undistributed earnings at the date of transition to IFRSs.
- (c) Please refer to (b) 1) for the explanation for the decrease in financial assets carried at cost - non-current in the amount of \$135,966.
 - (d) Please refer to (b) 2) for the explanation for the increase in long-term investments accounted for under the equity method in the amount \$193,343.
 - (e) Please refer to (h) for the explanation for the decrease in deferred pension cost in the amount of \$14,922.
 - (f) The increase in deferred income tax assets-non current in the amount of \$487,346 is due to the following:
 - 1) Please refer to (a) for the reclassification from "Deferred Income tax assets - current" to "Deferred income tax assets - non-current".
 - 2) The Group calculated the tax effects of differences between IFRSs and the current accounting policies.
 - 3) The deferred income tax assets and liabilities should not be offset unless they meet the netting criteria under IAS 12, "Income Tax". Therefore, the Group reclassified deferred income tax assets and liabilities at the date of transition to IFRSs.
 - (g) The increase in accrued expenses in the amount of \$89,486 is due to the following:
 - 1) The current accounting standards in R.O.C. do not specify the rules on the cost recognition for accumulated unused compensated absences. The Group 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.
- 2) The subsidiaries recognized variable rental expense for long-term lease agreements in accordance with current accounting standards. However, in accordance with IAS 17, “Leases”, the rental expenses should be recognized using the straight-line method which is total rental expense divided by the lease term. The Group increased accrued expenses and decreased undistributed earnings at the date of transition to IFRSs.
- (h) The increase in accrued pension liabilities in the amount of \$180,890 is due to the following:
- 1) 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.
 - 2) In accordance with current accounting standards in R.O.C., the excess of the accumulated benefit obligation over the fair value of the pension plan (fund) assets at the balance sheet date is the minimum amount of pension liability that is required to be recognized on the balance sheet (“minimum pension liability”). However, IAS 19, “Employee Benefits”, has no regulation regarding the minimum pension liability.
 - 3) 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 Group’s first-time adoption of IFRSs, the transition regulations of IAS 19, “Employee Benefits” do not apply to the Group. The unrecognized transitional net benefit obligation should be zero.
 - 4) In accordance with the exemptions applied under IFRS 1, the Group recognized all accumulated actuarial gain or loss in retained earnings at the date of transition to IFRSs.
- (i) The increase in deferred income tax assets in the amount of \$261,323 is due to the following:

Please refer to (f) 3) for the reclassification from “Deferred income tax liabilities - non-current”.

- B. Reconciliation of material differences in the balance sheet as of March 31, 2012 and income statement for the three-month period ended March 31, 2012:

In accordance with IFRSs transition plan of the Company, the reconciliation is still in progress and is expected to be completed in 2013.

- C. The Group selected the following exemptions in accordance with IFRS 1, “First-time Adoption of International Financial Reporting Standards”, and “Rules Governing the Preparation of Financial Statements by Securities Issuers” that are expected to be applied in 2013:

- (a) Business combinations

The Group selected not to apply the requirements in IFRS 3, “Business Combinations”, retroactively to business combinations that occur before the date of transition to IFRSs.

- (b) Share-based payment

The Group selected not to apply the requirements in IFRS 2, “Share-based Payment”, retroactively to the equity instruments that are vested and liabilities that are settled before the date of transition to IFRSs, arising from share-based payment transactions.

- (c) Employee benefits

The Group selected to recognize all accumulated actuarial gains and losses associated with employee benefit plans in retained earnings at the date of transition to IFRSs, and disclose the information of 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 for each accounting period from the date of transition to IFRSs.

- (d) Designation of financial instruments recognized previously

The Group selected to designate part of “Financial assets carried at cost - non-current” as “Available-for-sale financial assets - non-current” at the date of transition to IFRSs.

Some of the above exemptions may be different from the actual selection at the date of transition to IFRSs due to the issuance of related regulations by the competent authority, changes in economic environment, or changes in the evaluation of effect of the Company’s selection of exemptions.