

**Systemx Corporation**  
**Minutes Of 2018 Annual Shareholders' Meeting**  
(Translation)

*The translation is intended for reference only and nothing else. The Chinese text of the Minutes of 2018 Annual Shareholders' Meeting shall govern any and all matters related to the interpretation of the subject matter stated herein.*

**Time:** 9:00 a.m., Friday, June 15, 2018

**Place:** Liberty Square Convention Center

(2F, 399, Rueiguang Rd., Neihu District, Taipei City.)

**Total outstanding shares of Systemx (excluding the shares which had no voting right stipulated in Article 179 of Company Law):** 256,411,828 shares

**Total shares represented by shareholders present (including 43,310,081 shares represented by shareholders executing voting rights through e-voting):** 191,142,185 shares

**Percentage of shares held by shareholders present:** 74.54%

**Directors present:** Lin, Lung-Fen; Cheng, Deng-Yuan; Lu, Ta-Wei; Shaw, Shung-Ho; Huang, Ting-Rong; Huang, Chi-Rong; Huang, Yi-Shiung; Lin, Chih-Min and Independent Director Cheng, Huang-Yen (The member of Audit Committee).

**Chairman:** Huang, Tsong-Jen, Chairman of the Board of Directors

**Recorder:** Chen, Yi-Ming

**I. Chairman's Address:** Omitted

**II. Report Items**

1. 2017 Business report and Financial statements

Explanatory Note:

(1) Please refer to Attachment 1 for the Business Report.

(2) Please refer to Attachment 2 for the Financial statements.

2. Audit Committee's review report on 2017 Financial Statements.

Explanatory Note: Please refer to Attachment 3.

3. To report 2017 directors' and employees' compensation.

Explanatory Note:

The Company's 2017 employees' remuneration of NT\$1,215,848 and Directors remuneration of NT\$24,316,970 are issued entirely in cash in accordance with the Company's "Articles of Incorporation."

4. To report 2017 execution status of Endorsements and Guarantees.

Explanatory Note:

(1)The Company's balance amount of endorsements and guarantees for subsidiaries as of December 31, 2017 is NT\$2,257,160,000.

(2)The report on endorsements and guarantees is hereby submitted to the shareholders' meeting in accordance with the Company's Procedures for Making Endorsements and Guarantees.

### III. Ratification Items

1. Ratification of the 2017 Business report and Financial Statements. (Proposed by the Board of Directors)

Explanatory Note:

The Company's 2017 financial statements have been formulated in accordance with regulations. The statements have been audited by the CPA and reviewed by the Audit Committee; no inconsistencies have been found. Related information has been provided in Attachments 1-3.

Resolution:

Voting Results\*:

In favor		Against	Invalid	Abstained
Votes	%			
186,828,688 (39,206,008)	97.75	6,946 (6,946)	0	4,284,127 (4,097,127)

\*including votes casted by e-voting (numbers in brackets)

RESOLVED, the above proposal was accepted as submitted.

2. Ratification of 2017 retained earnings distribution proposal.(Proposed by the Board of Directors)

Explanatory Note:

(1)The Company's net income after taxes in 2017 of NT\$1,177,748,998 (denomination same below), plus undistributed earnings from the previous year of \$1,563,116,825, minus the retained earnings for long-term share investment adjustment of \$2,484,994 and the actuarial (loss) gains listed in retained earnings of \$29,482,000 equals the amount available for distribution of \$2,708,898,829. Excluding the legal reserve of \$117,774,899 and special reserve of \$388,833,163, the proposed cash dividend is \$2.5 per share. Calculated on the basis of the total number of 269,393,304 shares issued by the Company, the dividends total \$673,483,260.

(2)In compliance with the calculation of the undistributed surplus earnings provided in Article 66-9 of the Income Tax Act, the earnings from 2017 are prioritized for distribution.

(3)The shareholders' meeting is requested to authorize the Chairman to process related matters regarding the baseline date for cash dividends and the issuance of cash dividends following resolution in the general shareholders' meeting.

(4)With regard to the preceding distribution proposal, the Chairman is authorized to process related matters if the Company transfers (or repurchases) the Company's shares or transfers, converts, or cancels the Company's treasury stocks and causes changes to the number of shares in external circulation and changes in the distributable dividends per share before the baseline date of the distribution of dividends in accordance with Article 28-2 of the Securities and Exchange Act.

(6)The 2017 earning distribution table has been provided in Attachment 4.

Resolution:

Voting Results\*:

In favor		Against	Invalid	Abstained
Votes	%			
186,742,918	97.70	6,947	0	4,369,896
(39,206,238)		(6,947)		(4,096,896)

\*including votes casted by e-voting (numbers in brackets)

RESOLVED, the above proposal was accepted as submitted.

#### IV. Discussion Items

1. Discussion of the distributing cash dividends from the Capital Surplus. (Proposed by the Board of Directors)

Explanatory Note:

(1)The value of the capital reserve in the Company's 2017 Financial Report exceeding the income on premiums of stocks issued at values exceeding their nominal value was NT\$5,638,241,727 (denomination same below). The proposal, in accordance with Article 241 of the Company Act, includes setting aside cash of \$673,483,260 to be distributed to shareholders from the income on premiums of stocks issued at values exceeding their nominal value.

(2)The Company has issued a total of 269,393,304 shares. The dividend from the capital reserve is proposed at \$2.5 per share for a total of \$673,483,260, which shall be distributed based on the number of shares held by each shareholder in accordance with the Company's shareholders list on the baseline date. The shareholders' meeting is requested to authorize the Chairman to process related matters regarding the baseline date for issuing the capital reserve and the issuance of capital reserve following resolution in the shareholders' meeting.

(3)The Chairman is authorized to process related matters if the Company hereafter transfers (or repurchases) the Company's shares or transfers, converts, or cancels the Company's treasury stocks and causes changes to the number of

shares in external circulation and changes the distribution of capital reserve before the baseline date of the distribution of capital reserve in accordance with Article 28-2 of the Securities and Exchange Act.

(4) Regarding the current proposal to distribute cash dividend from the Company's capital reserve, income on premiums of stocks issued at values exceeding their nominal value in the capital reserve from before January 1, 2007 shall be prioritized for distribution.

Resolution:

Voting Results\*:

In favor		Against	Invalid	Abstained
Votes	%			
186,829,148	97.74	6,723	2,000	4,300,890
(39,205,468)		(6,723)	(0)	(4,097,890)

\*including votes casted by e-voting (numbers in brackets)

RESOLVED, the above proposal was accepted as submitted.

V. Extemporary Motions: None.

VI. Meeting Adjourned: 9:40 a.m., Friday, June 15, 2018

# Attachment 1

## Systemex Corporation 2017 Business report

### I. Foreword

SYSTEX's goal in 2017 was to become the "best partner for digital transformation for Enterprise" and assist corporate customers in their digital transformation. In the face of emerging technologies and changes in consumer behavior, corporate digital transition is a must. We may have encountered numerous challenges in the process, but the hard work of the management team and our employees have led to continued growth in company revenue which reached record heights in 2017.

### II. Summary of 2017 Operational Outcomes

In 2017, SYSTEX's revenues of NT\$ (same below) 5,900,195,000, a 2.92% increase from 2016. Our net profit after tax in 2017 was \$1,177,749,000. The consolidated revenue in 2017 was \$16,874,279,000, an increase of 4.10% from 2016. The consolidated net income attributable to owners of the corporation in 2017 (excluding non-controlling interests) was \$1,177,749,000 and earnings per share were \$4.79.

### III. Summary of 2017 Business Operations and Services

In 2017, SYSTEX implemented digital transition for enterprise customers based on ecosphere management with business integration including financial business, consumer business, digital technology business, and Chinese market.

#### ■ FBI (Financial Business Integration)

The Company continued to provide innovative financial services with the "FundRich Securities Trading Platform" built for FundRich Securities in 2016. In 2017, we provided services including integration of the Robot Advisor to make "FundRich Securities Trading Platform" the largest cash flow service system for funds in Taiwan and achieved a transaction volume of NT\$34 billion in 2017. We led the industry by launching the LINE@Wealth Management Secretary and using our self-developed natural language processing (NLP) and machine learning technologies to power the database. Investors can interact with the Wealth Management Robot verbally or through text to satisfy their demand for mobile wealth management including news subscription, inquiries of wealth management information, and online account opening. The Company worked with leading international fund company Morning Star in launching the "Robo-Advisor

ONE" robot wealth management consultant and used core technologies in robotic wealth management to continue update fund research data and improve automatic transaction execution capabilities. It provides investors with more choices and combinations in asset allocation.

The Company also provides diverse app services to meet demands for corporate digital transformation. We develop smart mobile claim platforms for customers in the insurance industry that integrate onsite photography for accidents, drawing functions, and mobile upload of claim documents to help the insurance industry provide quicker insurance claim services. In addition, the Company also tests various innovation applications for the first time and integrated insurance services with fitness wrist bands to display various health-related information on the app. We entered a new realm of customized insurance policies and established new milestones for the development of applications in the insurance industry.

#### ■ CBI (Consumer Business Integration)

After our success with Starbucks, we succeeded in collaborating with McDonald in the launch of the first "Value Card" in the world that integrated "stored value, consumption, and points for products" in 2017. The Value Card is used as a digital tool for membership marketing and management that facilitates McDonald's digital transformation. The " SYSTEX Mobile Voucher Service" integrates online and offline services and allows consumers to use electronic serial numbers or electronic coupons for the exchange of gifts in all stores across Taiwan. It not only eases companies' pressure from inventories but also helps them with management. Customers included leading domestic chain retailers and restaurants: Starbucks, Sushi Express, Simple Mart etc. We introduced the service robot Pepper and developed applications for different scenarios including greeting guests, making presentations, and shopping assistance. We expanded digital government projects, implemented flexible use of Citizen Cards, integrated technologies such as AR, VR, and beacons, constructed two smart cities for Taoyuan and New Taipei City, and assisted governments in their digital transformation. We entered the smart billing sector and adopted NLP technologies to build interactive interfaces on LINE and management personal bills. We executed projects to provide financial institutions with AI wealth management platform services including the establishment of digital channels and digital branch institutions.

#### ■ DBI (Data Technology Business Integration)

We made use of core capabilities in software integration and built software-defined data centers to provide customers in the telecommunication

and finance industry with large-scale private clouds and established the foundations for digital transformation. In response to the massive and diverse data generated in the rapid development of the Internet of Things (IoT), our information security services also began to make use of AI and machine learning technologies and we helped more than 300 customers build information security protection frameworks. We continue to distribute and introduce advanced technologies and products from foreign countries and provide multiple product portfolios to satisfy customer demands for digital transformation. In 2017, the Company ranked first in providing Microsoft services to large corporate clients and won the VMware Best Sales Performance Growth Award, HPE Best Partner Award, and Symantec and Lenovo's Excellent Distributor Awards.

#### ■ China Market

Our China HQ serves 20,000 corporate customers in China and Hong Kong including companies in manufacturing, retail, e-commerce, finance, tourism, healthcare, and logistics. The revenue in 2017 accounted for more than 20% of the Group's total revenue. We work closely with first-rate international companies to distribute diverse products and provide customers with diverse products. The Company uses advanced technologies to cultivate industry applications and provides IT services and solutions. We focus on professional information security services in Hong Kong.

#### IV. The effect of external competition, the legal environment, and the overall business environment

Protectionism has risen in the United States since Donald Trump took office and has affected international politics. Taiwan's economy faces the Labor Law adjustment and social security reforms have also led to widespread discussion. In terms of technology policies, the Ministry of Science and Technology has initiated the "AI Innovation and Research Center" program and plans to invest NT\$16 billion in 5 years to subsidize related research programs and cultivate AI talents to build an AI innovation ecosphere in Taiwan. In addition, Taiwan's Financial Regulatory Sandbox was also passed at the end of last year and it is expected to encourage companies to invest in innovative financial technology applications and assist industry development. Uncertainty in the overall environment brings forth many challenges to corporate growth while offering ample hidden opportunities for growth.

#### V. The summary of the business plan for 2018

AI is a crucial technology that will lead industrial development in the next 10 years; it is also the key to driving industrial growth. SYSTEX's goal for this year is to become

the "best partner for digital transformation for Enterprise", and we will remain committed to customers by integrating various applications in different industries, focusing on user experience, and advancing AI for Industry Application (AI4IA). The Company will continue to enhance our three core capabilities in data, software, and artificial intelligence and continue to engage in innovative applications and increase the value of its services, lead the integration of the digital ecosystem, and endeavor to acquire maximum client budgets in digital transition and data added-value services.

■ Develop AI to drive room for growth

The Company positions itself as the "best partner for digital transformation for Enterprise" and focuses on customers and their experience. The first step is to improve data assets and use external purchases, exchanges, or independent methods to build data assets as the basis for machine learning and analyses. At the same time, the Company shall also optimize internal and external talent pools and use technology exchanges and learning to enhance experience design capabilities.

The Company will grasp opportunities for growth made possible by AI in the development of each industry including the government's Foresight Policies, financial information security and regulatory technology (RegTech) opportunities, AI development and mobile applications for intelligent healthcare services, comprehensive payment/channel guest greeting and shopping assistance services, intelligent manufacturing and innovation IoT applications, strategic alliance with major international AI companies/unicorns such as SenseTime and iFlytek, introduction of audio/facial recognition technologies, and advancement of smart customer services and related marketing innovative applications.

■ From digitalization to data

We will focus on the development of AI in corporate applications and comprehensive payment/channel experience in the retail sector, and integrate Enterprise Resource Planning (ERP) systems and data management applications for general manufacturing and advance toward intelligent manufacturing. The Company will develop smart financing centered on FinTech to accommodate the demand of customers in the finance industry and provide services to large-scale financial holding companies to develop AI for FinTech. We shall create robot investment and wealth management platforms, implement RegTech, and build related applications for insurance technology (InsurTech). Our main directions include smart financing, market price prediction, AI audio recognition/control, integrated investor services, upgraded wealth management services, etc.



## VI. Future development strategy

From the advancement of Internetization in Business 1.0, mobile technologies in Business 2.0, and digitalization in Business 3.0 to the emphasis on data in the upcoming phase of Business 4.0, the key to success now lies in creating a second growth curve with the use of AI. SYSTEX possesses profound knowledge of the industry and vast experience in industrial applications. We have abundant and diversely talented employees who can assist companies in cross-sector technology integration. From the cloud to mobile applications or from digital to data technologies, SYSTEX's core capability is utilizing technologies to enhance experience and we are also the best partner for employing AI in corporate applications. With regard to AI development, SYSTEX has adopted two major strategies including the AI for Industry Application (AI4IA) and AI@IA. AI4IA provides industries with applications and solutions to intensify smart industry applications. AI@IA provides platforms for use by different corporate customers and places smart industrial applications on platforms to help companies monetize from data.

The Company has invested resources to cultivate 100 group-certified AI technology experts and organized situations design programs to train designers that focus on industrial application intelligent. The Company develops applications for individual industries including intelligent finance, retail, operations, and life. We cooperate with leading AI technology companies and research institutes to construct visual recognition services and develop audio/semantic/emotion recognition services to transform AI technologies into industrial applications that can be seen, implemented, and used.

In addition to obtaining stable profits in the China market, the Company shall also partner with local companies to expand independent operations. It shall also develop its own products by acquiring products and teams with forward-looking technologies that are compatible with market demands. The Company is also actively seeking investment opportunities in healthcare, cloud, big data, and IoT in China or participation in collaborative businesses with new industries in China to drive momentum for growth.

Chairman	Huang, Tsong-Jen
President	Lin, Lung-Fen
Accounting Manager	Cheng, Yuan-Yih

## Attachment 2

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Systex Corporation

#### **Opinion**

We have audited the accompanying consolidated financial statements of Systex Corporation and its subsidiaries (collectively, the Group), which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent auditors (refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2017. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2017 are addressed as follows:

#### Valuation of Inventory

As of December 31, 2017, inventories amounted to \$2,910,565 thousand, significant to the Group. The valuation of inventory write-down involves subjective judgements, including identification of slow-moving and obsolete inventories, estimation of net realizable value, and provision for loss due to changes in economic conditions, etc. Therefore, we consider the valuation of inventory as a key audit matter. For the disclosures related to inventories, refer to Notes 5 and 11 to the consolidated financial statements.

Our audit procedures for the abovementioned key audit matter included:

1. We obtained and assessed the report of lower of cost or net realizable value prepared by management. We examined the amounts and categories in the aging analysis report of inventories. We assessed the reasonableness of net realizable value by sampling the latest and post year-end sales.
2. We attended year-end inventory counts and assessed the condition of inventories to evaluate the completeness of inventory provisions for obsolete and damaged goods.

#### Valuation of Accounts Receivable

As of December 31, 2017, accounts receivables amounted to \$3,217,198 thousand, an amount significant to the Group. The assessment of the recoverability of accounts receivable involves the use of critical judgements, and, assumptions about credit risk, impairment rates and possible changes in economic conditions, etc. Therefore, we consider the valuation of accounts receivable as a key audit matter. For the disclosures related to accounts receivable, refer to Notes 5 and 10 to the consolidated financial statements.

Our audit procedures for the abovementioned key audit matter included:

1. We obtained the reports of accounts receivable impairment and we assessed the reasonableness of the methodology and data used in the reports as well as the consistency of the reports. In order to evaluate the adequacy of the allowance for doubtful accounts, we reviewed the related calculation and validated the aging amounts as of the balance sheet date to understand and measure the potential risk in overdue balances.
2. We tested the recoverability of accounts receivables by verifying cash receipts in the subsequent period. For a receivable that was past due and not yet received, we assessed the reasonableness of the allowance for the doubtful accounts based on the customer's payment history, the bank's guarantee provided, and our understanding of the economic environment.

#### **Other Matter**

We did not audit the financial statements as of and for the years ended December 31, 2017 and 2016 of SoftMobile Technology Corporation, Rainbow Tech Information (HK) Limited and Systex Information (H.K.) Ltd., which are all consolidated subsidiaries. The aggregate assets of these subsidiaries as of December 31, 2017 and 2016 amounted to \$468,683 thousand and \$505,825 thousand, respectively, or 2.42% and 2.65% of the respective consolidated assets. The aggregate net operating revenues of these subsidiaries in 2017 and 2016 were \$1,183,995 thousand and \$1,126,067 thousand, respectively, or 7.02% and 6.95% of the respective consolidated net operating revenues. We also did not audit the financial statements as of and for the year ended December 31, 2017 of Sanfran Technologies, Mohist Web Technology Co., Limited and Forms

Syntron Information (Shenzhen) Limited, and the financial statements as of and for the year ended December 31, 2016 of Sanfran Technologies Inc. and Forms Syntron Information (Shenzhen) Limited, the investments in which were accounted by the equity method in the accompanying consolidated financial statements. The aggregate carrying amounts of these investments accounted by equity method as of December 31, 2017 and 2016, including those reclassified to noncurrent assets held for sale, were \$801,036 thousand and \$838,453 thousand, respectively, or 4.14% and 4.39% of the respective consolidated assets. The aggregate amounts of the share in their profit and other comprehensive income in 2017 and 2016 were \$40,158 thousand and \$4,339 thousand, respectively, or 5.34% and 0.5% of the respective consolidated comprehensive income. The financial statements of the abovementioned subsidiaries and investees were audited by other auditors whose reports have been provided to us and, our opinion, insofar as it relates to the amounts included for these subsidiaries and investees, is based solely on the reports of the other auditors.

We have also audited the parent company only financial statements of Systex Corporation as of and for the years ended December 31, 2017 and 2016 on which we have issued an unmodified report with other matter paragraph.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2017 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Shu-Wan Lin and Shio-Ming Shue.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 22, 2018

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

ASSETS	2017		2016 (Audited after Restated)	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,708,235	19	\$ 4,245,282	22
Financial assets at fair value through profit or loss (Notes 4 and 7)	3,222,285	17	2,879,956	15
Available-for-sale financial assets (Notes 4 and 8)	16,561	-	18,984	-
Debt investments with no active market - current (Notes 4 and 9)	357,120	2	102,339	1
Notes receivable, net (Notes 4 and 10)	64,837	1	67,579	-
Accounts receivable, net (Notes 4, 5, 10 and 25)	3,217,198	17	3,304,915	17
Other receivables (Notes 20 and 26)	204,277	1	217,270	1
Inventories (Notes 4, 5 and 11)	2,910,565	15	2,422,283	13
Prepayments	836,115	4	850,922	5
Non-current assets held for sale (Notes 4 and 14)	-	-	96,546	1
Refundable deposits - current	220,715	1	210,691	1
Other current assets	63,149	-	53,754	-
Total current assets	<u>14,821,057</u>	<u>77</u>	<u>14,470,521</u>	<u>76</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets measured at cost - non-current (Notes 4 and 12)	509,150	3	432,971	2
Debt investments with no active market-non-current (Notes 4 and 9)	574,400	3	548,375	3
Investments accounted for using equity method (Notes 4 and 14)	1,153,527	6	1,191,205	6
Property, plant and equipment (Notes 4, 15 and 26)	1,940,525	10	2,009,673	11
Computer software (Note 4)	51,368	-	79,585	1
Technological expertise (Note 4)	-	-	25,951	-
Other intangible assets (Note 4)	-	-	7,215	-
Deferred tax assets (Notes 4 and 20)	54,870	-	66,702	-
Refundable deposits - non-current (Note 27)	162,086	1	116,676	1
Long-term receivables (Notes 4 and 10)	4,944	-	54,195	-
Other non-current assets (Note 26)	92,243	-	79,559	-
Total non-current assets	<u>4,543,113</u>	<u>23</u>	<u>4,612,107</u>	<u>24</u>
<b>TOTAL</b>	<u>\$ 19,364,170</u>	<u>100</u>	<u>\$ 19,082,628</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term loans (Notes 16 and 26)	\$ 1,460,053	7	\$ 1,046,022	5
Notes and accounts payable (Note 25)	3,100,522	16	2,953,992	15
Other payables	902,169	5	901,816	5
Current tax liabilities (Notes 4 and 20)	62,039	-	168,439	1
Receipts in advance	1,081,130	6	882,226	5
Other current liabilities	160,581	1	112,090	1
Total current liabilities	<u>6,766,494</u>	<u>35</u>	<u>6,064,585</u>	<u>32</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Notes 4 and 20)	5,023	-	5,894	-
Net defined benefit liabilities - non-current (Notes 4 and 17)	263,637	1	246,379	1
Other non-current liabilities	6,860	-	6,575	-
Total non-current liabilities	<u>275,520</u>	<u>1</u>	<u>258,848</u>	<u>1</u>
Total liabilities	<u>7,042,014</u>	<u>36</u>	<u>6,323,433</u>	<u>33</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4 and 18)</b>				
Common shares	<u>2,693,933</u>	<u>14</u>	<u>2,693,933</u>	<u>14</u>
Capital surplus	<u>7,363,072</u>	<u>38</u>	<u>7,634,980</u>	<u>40</u>
Retained earnings				
Legal reserve	896,914	5	786,087	4
Special reserve	64,494	-	-	-
Unappropriated earnings	<u>2,708,899</u>	<u>14</u>	<u>2,681,315</u>	<u>14</u>
Total retained earnings	<u>3,670,307</u>	<u>19</u>	<u>3,467,402</u>	<u>18</u>
Other equity	(453,327)	(2)	(64,494)	-
Treasury shares	(1,003,629)	(5)	(1,003,629)	(5)
Total equity attributable to owners of the Corporation	12,270,356	64	12,728,192	67
<b>NON-CONTROLLING INTERESTS (Note 18)</b>	<u>51,800</u>	<u>-</u>	<u>31,003</u>	<u>-</u>
Total equity	<u>12,322,156</u>	<u>64</u>	<u>12,759,195</u>	<u>67</u>
<b>TOTAL</b>	<u>\$ 19,364,170</u>	<u>100</u>	<u>\$ 19,082,628</u>	<u>100</u>

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

(With Deloitte & Touche audit report dated March 22, 2018)

# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4 and 25)				
Sales	\$ 12,181,047	72	\$ 11,761,268	73
Less: Sales returns and allowances	<u>86,183</u>	-	<u>131,563</u>	<u>1</u>
Net sales	12,094,864	72	11,629,705	72
Service revenue	4,706,829	28	4,514,543	28
Other operating revenue	<u>72,586</u>	-	<u>66,132</u>	-
Total operating revenues	<u>16,874,279</u>	<u>100</u>	<u>16,210,380</u>	<u>100</u>
OPERATING COSTS (Notes 4, 11, 19 and 25)				
Cost of goods sold	10,350,367	61	9,961,443	61
Service cost	1,967,169	12	1,895,107	12
Other operating cost	<u>23,015</u>	-	<u>21,770</u>	-
Total operating costs	<u>12,340,551</u>	<u>73</u>	<u>11,878,320</u>	<u>73</u>
GROSS PROFIT	4,533,728	27	4,332,060	27
OPERATING EXPENSES (Notes 17, 19 and 25)				
Selling expenses	3,194,696	19	3,172,663	19
General and administrative expenses	359,085	2	420,986	3
Research and development expenses	<u>440,821</u>	<u>3</u>	<u>459,143</u>	<u>3</u>
Total operating expenses	<u>3,994,602</u>	<u>24</u>	<u>4,052,792</u>	<u>25</u>
PROFIT FROM OPERATIONS	<u>539,126</u>	<u>3</u>	<u>279,268</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates (Notes 4 and 14)	66,479	1	84,102	-
Interest income (Note 4)	48,528	-	29,965	-
Dividend income (Note 4)	47,243	-	42,918	-
Other income, net	56,818	-	62,455	-
Gain on sale of investments, net (Note 19)	478,622	3	1,227,033	8
Foreign exchange gain (loss), net (Note 4)	34,492	-	(69,545)	-
Gain on financial assets at fair value through profit or loss, net (Note 4)	98,992	1	115,052	1
Interest expense	(32,359)	-	(24,823)	-
Other expenses	(4,227)	-	(29,095)	-
Gain on disposal of property, plant and equipment, net (Note 4)	4,229	-	17,804	-
Impairment loss on assets (Notes 4 and 19)	<u>(37,783)</u>	-	<u>(489,274)</u>	<u>(3)</u>
Total non-operating income and expenses	<u>761,034</u>	<u>5</u>	<u>966,592</u>	<u>6</u>

(Continued)



# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 1,300,160	8	\$ 1,245,860	8
INCOME TAX EXPENSE (Notes 4 and 20)	<u>127,042</u>	<u>1</u>	<u>155,532</u>	<u>1</u>
NET INCOME	<u>1,173,118</u>	<u>7</u>	<u>1,090,328</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 17)	(32,743)	-	(15,384)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 20)	<u>(151)</u>	<u>-</u>	<u>437</u>	<u>-</u>
	<u>(32,894)</u>	<u>-</u>	<u>(14,947)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(434,475)	(3)	(129,765)	(1)
Unrealized gain (loss) on available-for-sale financial assets	(613)	-	10,428	-
Share of the other comprehensive gain (loss) of associates accounted for using the equity method	<u>47,070</u>	<u>-</u>	<u>(81,450)</u>	<u>(1)</u>
	<u>(388,018)</u>	<u>(3)</u>	<u>(200,787)</u>	<u>(2)</u>
Other comprehensive loss for the year, net of income tax	<u>(420,912)</u>	<u>(3)</u>	<u>(215,734)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 752,206</u>	<u>4</u>	<u>\$ 874,594</u>	<u>5</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,177,749	7	\$ 1,108,268	7
Non-controlling interests	<u>(4,631)</u>	<u>-</u>	<u>(17,940)</u>	<u>-</u>
	<u>\$ 1,173,118</u>	<u>7</u>	<u>\$ 1,090,328</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 756,949	4	\$ 892,819	5
Non-controlling interests	<u>(4,743)</u>	<u>-</u>	<u>(18,225)</u>	<u>-</u>
	<u>\$ 752,206</u>	<u>4</u>	<u>\$ 874,594</u>	<u>5</u>

(Continued)

# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

---

	2017		2016	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 21)				
Basic	<u>\$4.79</u>		<u>\$4.50</u>	
Diluted	<u>\$4.79</u>		<u>\$4.50</u>	

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

(With Deloitte & Touche audit report dated March 22, 2018)

(Concluded)

**SYSTEX CORPORATION AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation (Notes 4 and 18)													
	Share Capital			Capital Surplus	Retained Earnings				Other Equity			Non-controlling Interests (Note 18)	Total Equity	
	Common Shares	Advance Receipts for Common Shares	Total		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Instruments	Treasury Shares			Total
BALANCE, JANUARY 1, 2016	\$ 2,687,733	\$ 650	\$ 2,688,383	\$ 8,197,220	\$ 729,659	\$ -	\$ 2,317,133	\$ 3,046,792	\$ 127,939	\$ 8,841	\$ (967,498)	\$ 13,101,677	\$ 56,026	\$ 13,157,703
Appropriation of 2015 earnings														
Legal reserve	-	-	-	-	56,428	-	(56,428)	-	-	-	-	-	-	-
Cash dividends - NT\$2.5 per share	-	-	-	-	-	-	(673,483)	(673,483)	-	-	-	(673,483)	-	(673,483)
Change in capital surplus from investments in associates accounted for by using equity method	-	-	-	58,753	-	-	-	-	-	-	-	58,753	-	58,753
Distribution in cash of the capital surplus - NT\$2.5 per share	-	-	-	(673,483)	-	-	-	-	-	-	-	(673,483)	-	(673,483)
Issuance of common shares for exercised employee stock options	6,200	(650)	5,550	11,045	-	-	-	-	-	-	-	16,595	-	16,595
Net income (loss) for 2016	-	-	-	-	-	-	1,108,268	1,108,268	-	-	-	1,108,268	(17,940)	1,090,328
Other comprehensive income (loss) for 2016	-	-	-	-	-	-	(14,175)	(14,175)	(211,225)	9,951	-	(215,449)	(285)	(215,734)
Total comprehensive income (loss) for 2016	-	-	-	-	-	-	1,094,093	1,094,093	(211,225)	9,951	-	892,819	(18,225)	874,594
Acquisition of the Corporation's shares by subsidiaries regarded as treasury share transaction	-	-	-	-	-	-	-	-	-	-	(36,131)	(36,131)	(37,728)	(73,859)
Cash dividends received by subsidiaries from the Corporation	-	-	-	116,457	-	-	-	-	-	-	-	116,457	-	116,457
Disposal of investments accounted for by using equity method	-	-	-	(83,588)	-	-	-	-	-	-	-	(83,588)	-	(83,588)
Changes in percentage of ownership interest in subsidiaries	-	-	-	8,576	-	-	-	-	-	-	-	8,576	(8,576)	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	39,506	39,506
BALANCE, DECEMBER 31, 2016	<u>2,693,933</u>	<u>-</u>	<u>2,693,933</u>	<u>7,634,980</u>	<u>786,087</u>	<u>-</u>	<u>2,681,315</u>	<u>3,467,402</u>	<u>(83,286)</u>	<u>18,792</u>	<u>(1,003,629)</u>	<u>12,728,192</u>	<u>31,003</u>	<u>12,759,195</u>
Appropriation of 2016 earnings														
Legal reserve	-	-	-	-	110,827	-	(110,827)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	64,494	(64,494)	-	-	-	-	-	-	-
Cash dividends - NT\$3.5 per share	-	-	-	-	-	-	(942,877)	(942,877)	-	-	-	(942,877)	-	(942,877)
Change in capital surplus from investments in associates accounted for by using equity method	-	-	-	54,304	-	-	-	-	-	-	-	54,304	-	54,304
Distribution in cash of the capital surplus - NT\$1.5 per share	-	-	-	(404,090)	-	-	-	-	-	-	-	(404,090)	-	(404,090)
Net income (loss) for 2017	-	-	-	-	-	-	1,177,749	1,177,749	-	-	-	1,177,749	(4,631)	1,173,118
Other comprehensive income (loss) for 2017	-	-	-	-	-	-	(31,967)	(31,967)	(387,405)	(1,428)	-	(420,800)	(112)	(420,912)
Total comprehensive income (loss) for 2017	-	-	-	-	-	-	1,145,782	1,145,782	(387,405)	(1,428)	-	756,949	(4,743)	752,206
Cash dividends received by subsidiaries from the Corporation	-	-	-	117,049	-	-	-	-	-	-	-	117,049	-	117,049
Disposal of investments accounted for by using equity method	-	-	-	(39,171)	-	-	-	-	-	-	-	(39,171)	-	(39,171)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	25,540	25,540
BALANCE, DECEMBER 31, 2017	<u>\$ 2,693,933</u>	<u>\$ -</u>	<u>\$ 2,693,933</u>	<u>\$ 7,363,072</u>	<u>\$ 896,914</u>	<u>\$ 64,494</u>	<u>\$ 2,708,899</u>	<u>\$ 3,670,307</u>	<u>\$ (470,691)</u>	<u>\$ 17,364</u>	<u>\$ (1,003,629)</u>	<u>\$ 12,270,356</u>	<u>\$ 51,800</u>	<u>\$ 12,322,156</u>

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

(With Deloitte & Touche audit report dated March 22, 2018)

# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,300,160	\$ 1,245,860
Adjustments for :		
Depreciation expenses	114,811	130,915
Amortization expenses	43,620	61,760
Provision for allowance for doubtful accounts	6,057	18,811
Gain on financial assets at fair value through profit or loss, net	(98,992)	(115,052)
Interest expense	32,359	24,823
Interest income	(48,528)	(29,965)
Dividend income	(47,243)	(42,918)
Share of profit of associates	(66,479)	(84,102)
Gain on disposal of property, plant and equipment, net	(4,229)	(17,804)
Gain on sale of non-current assets held for sale	(193,003)	-
Gain on sale of investment, net	-	(859)
Gain on sale of investments accounted for using equity method	(257,467)	(1,168,277)
Impairment loss on financial assets	4,129	174,051
Impairment loss on non-financial assets	33,654	315,223
Write-down of inventories	12,731	78,285
Unrealized loss (gain) on foreign currency exchange, net	8,982	(5)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets held for trading	(328,122)	1,078,598
Decrease in notes receivable	2,742	7,426
(Increase) decrease in accounts receivable	(52,500)	86,031
Decrease in other receivables	17,889	93,565
Increase in inventories	(504,184)	(527,021)
(Increase) decrease in prepayments	(5,995)	10,187
Increase in other current assets	(10,066)	(10,024)
Increase in notes and accounts payable	253,029	148,228
Increase in other payables	13,227	148,269
Increase in receipts in advance	208,421	42,695
Increase (decrease) in other current liabilities	50,410	(8,285)
Decrease in net defined benefit liabilities	(15,485)	(9,118)
Cash generated from operations	469,928	1,651,297
Interest paid	(32,258)	(24,089)
Income tax paid	(218,027)	(132,989)
Net cash generated from operating activities	<u>219,643</u>	<u>1,494,219</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of debt investments with no active market	(32,705)	(548,836)
Proceeds on sale of held-to-maturity financial assets	-	52,112
Acquisition of financial assets measured at cost	(88,465)	(43,212)
Proceeds on sale of financial assets measured at cost	-	2,478
Return of capital from capital reduction and liquidation of financial assets measured at cost	7,064	671

(Continued)

# SYSTEX CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

	2017	2016
Acquisition of investments accounted for using equity method	\$ (33,600)	\$ -
Proceeds on sale of investments accounted for using equity method	344,010	1,361,442
Proceeds on sale of non-current assets held for sale	275,370	-
Payments for property, plant and equipment	(61,655)	(93,448)
Proceeds on disposal of property, plant and equipment	13,530	36,039
Increase in refundable deposits	(56,507)	(21,704)
Payments for intangible assets	(16,360)	(41,179)
Proceeds on disposal of intangible assets	-	160
Decrease in long-term receivables	49,251	38,409
(Increase) decrease in pledged time deposits	(7,973)	17,893
Increase in time deposits with original maturity of more than 3 months	(268,614)	(85,931)
Increase in other non-current assets	(4,732)	(2,692)
Interest received	45,024	24,136
Dividends received	47,341	42,949
Dividends received from associates	31,057	42,430
Distribution in cash of the capital surplus received from financial assets measured at cost	<u>-</u>	<u>75</u>
Net cash generated from investing activities	<u>242,036</u>	<u>781,792</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	441,084	462,229
Increase (decrease) in guarantee deposits received	420	(684)
Dividends paid	(942,877)	(673,483)
Proceeds from exercise of employee stock options	-	16,595
Payments for buy-back of common shares	-	(73,859)
Increase in non-controlling interests	25,540	39,506
Cash dividends received by subsidiaries from the Corporation	117,049	116,457
Distribution in cash from the capital surplus	<u>(404,090)</u>	<u>(673,483)</u>
Net cash used in financing activities	<u>(762,874)</u>	<u>(786,722)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		
	<u>(235,852)</u>	<u>(49,648)</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(537,047)	1,439,641
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	<u>4,245,282</u>	<u>2,805,641</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 3,708,235</u>	<u>\$ 4,245,282</u>

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

(With Deloitte & Touche audit report dated March 22, 2018)

(Concluded)

## Attachment 3

### Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2017 business report, financial statements, and earnings distribution proposal, of which the financial statements have been audited by Deloitte. These have been reviewed by the Audit Committee as correctly portraying SYSTEX's business activities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219, 208 of the Company Act, this report is submitted for your examination.

System Corporation  
Audit Committee Convener:

---

Huang, Jih-Tsan

March 22, 2018

## Attachment 4

System Corporation  
Earnings Distribution Proposal  
December 31, 2017

Unit: NT\$

Items	Amount	
	Subtotal	Total
Beginning unappropriated earnings		1,563,116,825
Adjustment for investments accounted for using equity method	(2,484,994)	
Remeasurement on net defined benefit plan	(29,482,000)	
Add: Net income of 2017	1,177,748,998	
Earnings available for distribution		2,708,898,829
Distribution items		
Legal reserve	(117,774,899)	
Special reserve	(388,833,163)	
Cash dividends (NT\$2.5/per share)	(673,483,260)	
Total distribution		(1,180,090,322)
Ending unappropriated earnings		1,528,808,507

Chairman	Huang, Tsong-Jen
President	Lin, Lung-Fen
Accounting Manager	Cheng, Yuan-Yih