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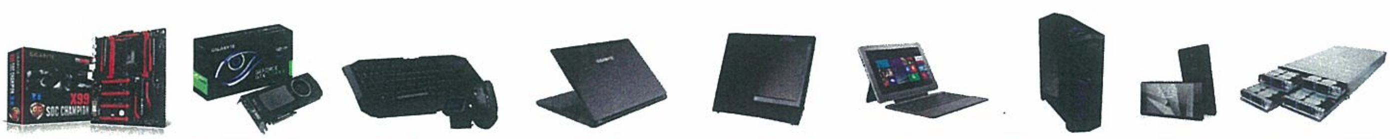
GIGABYTE™

ANNUAL REPORT, 2014



Motherboard Graphics Card Peripherals Notebook All-in-One PC Slate PC Components Mobile Phone Server / Storage

This GIGA-BYTE Yearbook is accessible through company website http://www.gigabyte.com and http://mops.twse.com.tw
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One. Report to Shareholders

Dear Shareholders:

Looking back on 2014, the global economy moved in two different directions. The U.S. continued to lead the recovery while economic growth slowed in other leading nations (or regions). In the Eurozone, even as the issue of sovereign debt has gradually faded from sight, persistently high unemployment rates, weak demand due to government cutbacks on spending, low increases in prices and the ensuing currency deflation resulted in the Eurozone introducing negative interest rates, the Euro version of QE. The Ukraine situation and the economic sanctions imposed by Europe and the U.S. as a response had a negative impact on key national economies in the Eurozone. In Q2, Japan increased its consumption tax to improve its financial structure. This had a severe impact on domestic demand that affected economic performance. China also continued to make adjustments to its economy. Domestic investment slowed with a flow-on effect on real estate and industrial exports. In emerging markets, the end of the U.S. QE policy, the increase in U.S. interest rates and stronger U.S. dollar all produced a capital flight that hit emerging share, bond and exchange markets hard.

In our key markets, we achieved slight gains in North America as well as slight growth in the Eurozone and Asia. In Eastern Europe the Ukraine incident, the collapse of Russian oil prices and the plummeting value of the Ruble resulted in weak sales. Demand in other emerging markets was weak as well. On the whole, 2014 managed only small growth over the preceding year. Revenue grew by 6.7% and net income after tax grew by 1.7%.

Our Company's operating performance from 2014 and the business plan for 2015 are described below:

I. 2014 Business performance

(1) Financial and operational performance:

Unit: NTD

Item	2014	2013	Change	Change in Percentage (%)
Revenue	54.542 billion	51.119 billion	+3.423 billion	+6.70%
Gross profit	9.468 billion	9.149 billion	+0.319 billion	+3.49%
Corporate earnings	2.4 billion	2.359 billion	+0.041 billion	+1.74%

Subject		2014	2013
Financial structure (%)	Liabilities to assets ratio (%)	32.99	37.57
	Long-term capital to fixed assets ratio (%)	544.04	529.52
Debt repayment (%)	Current ratio (%)	251.95	214.48
	Quick ratio (%)	161.03	123.59
Profitability (%)	Return on assets (%)	7.02	7.26
	Return on shareholders' equity (%)	10.80	11.20
	Yield (%)	4.39	4.62
	Basic earnings per share (NTD)	3.82	3.76

(2) R&D/Technology innovation results:

The R&D results in 2014 were as follows:

1. Gigabyte has continued to break its own world records in terms of advanced motherboard technologies, performance and quality. We released an all new motherboard series featuring exclusive all-new SOC technology and an innovative design that allows players to intuitively optimize the performance of their hardware. The new Gigabyte Z97 and X99 motherboards aimed to provide ultra-durable quality, incomparable performance and breathtaking appearance that players want. Whether a gamer selects the G1™ gamer series, the SOC super-overclocker series, or Gigabyte's classic Ultra-durable series, they will be satisfied with the rich range of features such as M.2, SATA Express and Thunderbolt™ expansion slots that Gigabyte tailors to the needs of gamers, overclockers or computer professionals.
2. Gigabyte has continued to introduce new innovations every year in response to player requirements on display cards. In 2014, we surpassed the water-cooling performance of single-cards and broke through the bottleneck in air-cooling for multi-card configurations with the launch of our WindForce and WaterForce technology. With our new industry-leading display card cooling systems, players who prefer air or water-cooling can all see the latest and most outstanding design from Gigabyte!
3. Gigabyte has finished developing a new generation of Cloud Service package including a new generation of server motherboards that support the Intel® Xeon® E5-2600/1600 V3 processors. To significant boost system processing power, we also pioneered the use of the latest and fastest DDR4 technology along with support for Intel® vPro dual-port Gigabit Ethernet controller. This can be used with virtualization technology to deliver excellent performance and green energy management functions that perfectly support client application platforms while delivering improved power-efficiency and system performance.
4. Gigabyte notebooks have always had a reputation for high-performance products. This year we launched the P34G v2, the first notebook in the world to feature PlexTurbo technology that delivers the ultimate gaming experience with twice the industry transfer rate. This greatly reduces game loading times while also accelerating the reading of game maps and data.
5. As the successor to BRIX that dominated the ultra-mini PC market last year, Gigabyte BRIX Pro immediately won the favor of Tom's Hardware, a professional computer reviewer upon its release and was presented with the Best of CES 2014 award.
6. The new Raptor optical engine e-sports mouse is designed specifically for FPS and RTS gaming. It was also the winner of the "1st Gigabyte Make It Real! Mouse Design Contest".
7. Gigabyte released two new dual-card smart phones (GSmart GX2 and GSmart Mika M2) featuring the Qualcomm Snapdragon 400 chipset with a super-fast 1.6GHz

quad-core CPU and 2GB RAM/8 GB ROM. Along with the 5" OGS display, the smart phone has even slimmer appearance, magnesium-aluminum alloy body and IPS screen for vivid colors. The smart phone offers the user an enhanced viewing and listening experience for movies, games or music.

II. Summary of Business Plan for 2015:

(1) In terms of the market:

In response to strong demand for personalized audio/video applications and multimedia applications in recent years, Gigabyte plans to roll out a series of products featuring cloud technology and slim aesthetics that will satisfy users' need for the convenience of cloud technology and make Gigabyte the leading brand in the market.

(2) In terms of products:

Gigabyte will continue to leverage our strength in R&D by not only setting new world records in performance but also providing customers with the best green energy gains. Product safety, environmental safety, smart energy-saving services and disclosure of carbon footprint along with the launch of new products will help meet the needs of different user groups. Gigabyte will further strengthen the integrity, performance and value of branded products to create better profitability.

(3) In terms of marketing:

Gigabyte will adopt innovative and differentiated marketing while also forming alliances with major international companies (such as Intel, AMD, n-Vidia) and leading brands in other industries (such as software vendors) in joint marketing campaigns to increase brand exposure and recognition.

(4) In terms of channel construction:

Gigabyte is strengthening its cooperation with agents to ensure that marketing strategies and goals are implemented with due consideration for time and place. We are also extending our reach to the distributor level to upgrade the overall supply chain as well as providing appropriate service and support.

(5) In terms of manufacturing:

Our Company will continue to main a flexible strategy on the allocation of production capacity at our three factories in Taiwan and China. However, the incessant increases to minimum wage and social insurance are increasing costs in China. Apart from making flexible use of contractor capacity, we will also push to boost production output through increased process automation and equipment upgrades.

III. Future Development Strategy and the Influences of External Competition, Regulatory Environment and Operational Environment:

There are a number of favorable and unfavorable factors that impact on the operations of our company in domestic and international macro-economic environment in 2015, including:

- ●The U.S. economy is now officially in recovery. A strong US dollar backed by strong economic performance as well as expectations of higher interest rates may lead to "QE Reduction Panic" that will be unfavorable to the economic development of emerging markets.
- ●The European Central Bank launched its European bond buying program in early 2015. The European version of QE, the devaluation of the Euro as well as the flow of capital to Asia is increasing the value of Asian currencies and impacting on the competitiveness of Taiwanese exports.
- ●China's economy is slowing. Pressure put on RMB exchange has lowered the buying power of the Chinese people.
- ●Dropping oil and commodity prices has impacted on the economy of their exporting countries, lowering buying power and inventory demand.

With all these unfavorable factors, in 2015 the economies of all major countries (regions) with the exception of the U.S. were all relatively weak. Europe and Japan both expanded their QE policy and maintaining the competitiveness of their exports through devaluation but this also impacted on their buying power and inventory demand. This had an indirectly impact on the profits of companies that sell to the region. The slowdown in the global economy and fluctuations in the NTD in 2015 will all pose a major challenge to business profitability. Gigabyte will continue to cultivate and strengthen our operations in key worldwide markets to minimize the negative impacts.

The rapid development of global mobile and broadband networks in recent years means Internet-of-Things technology is now gradually changing the way we live. Market reports suggest that the Taiwan IOT market will grow to 290 million USD in 2017, the global IOT industry will be worth more than 600 billion USD and consist of 30 billion devices. This will be the focus for the next wave of industry growth. When combined with big data analysis technology to provide precision services it should be possible to become the future market leader. At the present stage, Gigabyte is not only focusing on its strengths in core products but will also respond to market trends by focusing on IOT-related industry developments and sales. We look forward to being a part of the next wave of industry growth so we can continue to create profits, share the fruits with our shareholders, benefit all mankind and give back to society.

We wish everyone happiness and the best of health

Chairman: Yeh, Pei-Chen   Manager: Liu, Min-Hsiung   Accounting Manager: Chen, Chun-Ying

Two. The Company

I. Date established: April 30, 1986

II. Company History

March 1986	Gigabyte Industrial Co., Ltd. established with NT$700,000 in paid-in capital. Commenced manufacturing and sale of motherboards.
September 1986	Capital increased to NT$5 million; relocated to Xinyi Road in Taipei.
August 1987	R&D and international sales departments established for proper control of product R&D and expansion of global marketing network. Relocated to Ren-ai Rd. Sec. 4.
November 1987	Successfully developed the new 2MB EMS card product. Focus now on the development of high value-added products.
March 1989	Successfully developed the new 8MB EMS card product. In-house R&D capability recognized by the market.
May 1989	Entered into agreement with AMI, a US company, on the 386 BIOS. The improvement to hardware and software integration helped increase future market share.
June 1989	Company name changed to "Gigabyte Corporation".
September 1989	Purchased and relocated to new plant site at 4F No. 3 4F Alley 6, Lane 45, Baoxing Rd., Xindian City.
March 1992	Purchased additional workshop space on 4F and 5F of No. 9, Alley 6, Lane 45, Baoxing Rd., Xindian City, to accommodate new production capacity.
July 1993	Joint venture with Intel for the development of Pentium motherboards. R&D capacity recognized by the industry again.
March 1994	Signed agreement with Award Software Inc., a US company, for the right to use its BIOS.
October 1994	Our Pentium motherboard was recommended by PC Magazine in the US as the Editor's Choice. This represented recognition by the international media on the reliability of our product.
March 1996	Passed ISO-9002 quality system certification by RWTUV of Germany.
July 1996	Public offering of company stock approved.
December 1996	Xindian plant relocated to Pingzhen City in Taoyuan County and commenced operations. The new site has 9,585m^2 of floor space and the latest automated production equipment.
November 1997	Presented with the "6th Fine Product of Taiwan Award" by CETRA.

August 1998	Approval granted for investing in a new plant in China by the Board of Investment of Ministry of Economic Affairs.
September 1998	Successfully listed on the TSE at NT$172.5 per share.
November 1998	Presented with the "Fine Product of Taiwan Award" for a second time. This was the first time that the award had ever been presented a second time to the same company for the same product.
November 1998	Dongguan Gigabyte Electronics Co., Ltd. established for the manufacturing of computer/IT products and parts.
January 1999	Revolutionized the motherboard industry with the launch of patented Dual BIOS technology.
June 1999	Ranked 41 by the US *Business Week* magazine among the world's top 100 IT companies.
September 1999	GA-BX2000 and GA-660 ranked No. 1 by the PC Magazine in the Netherlands.
April 2000	New corporate headquarters at No. 6 Baoqiang Rd. in Xindian completed and put into service.
June 2000	Retained earnings were capitalized increasing paid-in capital to $3,281,352,600.
July 2000	GDRs (30,000,000 shares of common stock) issued for cash capital increase. The GDRs were offered to the public in Luxemburg on July 17 and paid-in capital subsequently increased to $3,581,352,600.
September 2000	Pingzheng 2nd Plant and Nanping Plant completed.
October 2000	Gigabyte formed a strategic alliance with Conventive Advance, a Linux vendor, and jointly announced the "Appliance Server" and "IU Rackmount Server" for the Linux platform. The two new products were designed to provide small and medium enterprise users as well as general users with powerful and highly efficient total network solutions.
March 2001	Successfully issued US$115 million in ECB.
March 2001	Gigabyte Ningbo Co., Ltd. established for the manufacturing of computer and IT products.
June 2001	Presented with the "1st Outstanding Promotion of Fine Taiwan Product Award".
June 2001	Gigabyte Maintenance Ningbo Ltd. established for the maintenance of computer and IT products.
June 2001	Gigabyte International Trading Ningbo Co., Ltd. established for the importing and exporting of computer/IT products and parts.
September 2001	Won the Gold Mind Award at the "2001 National Inventions Exhibition".

September 2001	Gigabyte and the Legend Group of China set up a joint venture in Hong Kong to engage in Contract Electronics Manufacturing (CEM). This expanded our production capacity, reduced production costs and increased competitiveness.
January 2002	Gigabyte became the only motherboard maker in Taiwan to receive the "Fine Product of Award" for five consecutive years.
March 2002	GDRs converted by bearers into 291,886 common shares, increasing paid-in capital to NT$4,594,133,440.
May 2002	Presented with the "National Product Image Award".
May 2002	Held new product conference for the announcement of P4, Maya display card, ZYGMA and IA products.
June 2002	Presented with a number of product awards from online media in New Zealand, Hungary, Russia, the U.S., Denmark, Singapore, the U.K., Germany and France.
January 2003	Wireless communications R&D team formed at Tainan Science-based Industrial Park.
March 2003	Established Russia Office in Moscow.
June 2003	Hosted joint conference announcing all of the products for 2003 from three business units.
June 2003	Set up Ningbo Zhongjia Technology & Trading Co., Ltd. to handle all sales in China.
October 2003	Ningbo plant completed and commissioned. The plant is used for motherboard manufacturing as well as IA and system assembly.
December 2003	Gigabyte voted the champion of the "Superior Products of the Year" for three consecutive years.
May 2004	Hosted product conference for the G-MAX series of new products that "Transcend the Limit".
May 2004	Gigabyte Communications Inc. established for R&D and sales of communications products.
July 2004	G-MAX NB-1401 won the "National Image Product Gold Award", the top industry award.
October 2004	Gigabyte was once again recognized by the industry at the 15th "National Quality Awards".
December 2004	Gigabyte award ceremony at the National Quality Awards.
January 2005	Gigabyte became the only company to achieve 100% win rate at the Taiwan Excellence Awards for 8 consecutive years.
March 2005	Launched the AirCruiser G Desktop Router, the world's first 54 Mbps PCI wireless router.

March 2005	Presented the first Gigabyte-designed streamlined cell phone at CeBIT 2005.
June 2005	Notebook computer and expandable wireless base station presented with the "13th National Product Image Award", making this the 4th consecutive year that Gigabyte has won this award.
December 2005	Gigabyte releases the Windows Mobile 5.0 PDA, the first to feature TV service.
December 2005	Launched the Gigabyte g-Cam, the first mobile phone with 7-Megapixel camera.
December 2005	First company to pass IECQ QC 080000 certification.
January 2006	Gigabyte, the leader in digital home motherboards, released the first motherboard in the world designed for Intel Viiv technology.
March 2006	Gigabyte's full product line-up attracted much attention at CeBIT 2006 in Hannover. For its 20th anniversary, the Company has successfully diversified into a variety of different fields.
March 2006	Gigabyte Communications partnered with Synergy Technology (Asia) to launch the g-Smart PDA running Windows Mobile 5.0 with TV support as well as the g-Cam, the first mobile phone with a 5-Megapixel CCD camera.
April 2006	New dual-core series of notebook products launched at Gigabyte product conference.
June 2006	The W251U notebook named Best Choice of Computex with its creative, user-friendly, slim and stylish design.
August 2006	Gigabyte presented with the 14th Gold Award Products of Taiwan special award for "Distinguished Performance Manufacturer --- with more than 100 Awards on Outstanding Products over the years". Five products also won the Silver Award, an unprecedented feat.
August 2006	Named "Outstanding Brand of Taiwan" by the Ministry of Economic Affairs for 2 consecutive years.
October 2006	Gigabyte won the National Design Award- Product Design Gold Award with its G-Pad, a cooling device for notebook PCs.
October 2006	Gigabyte won the Good Design Award in Japan with its g-Smart i and W251U.
November 2006	Successfully issued US$100 million in ECB for a second time.
December 2006	Gigabyte Education Foundation held the 5th G-DESIGN Contest. The contest was officially renamed as the G-DESIGN Wild Thoughts Contests starting this year.

December 2006	Gigabyte United Inc. established. The new subsidiary takes over the existing Gigabyte branded channel desktop PC motherboard an display card business.
May 2007	Gigabyte's GV-NX76T256-RH graphics card won Best Choice at COMPUTEX Taipei 2007
June 2007	Gigabyte achieved a 100% win rate for 10 consecutive years at the 15th Taiwan Excellence Awards
July 2007	GIGABYTE named a Taiwan TOP 20 Global Brand for the 4th consecutive year
July 2007	GIGABYTE GSmart t600 PDA Phone won the Taiwan Excellence Gold Award
December 2007	GIGABYTE G-Pad, Roll Pad won the iF Product Design Award 2008.
April 2008	Gigabyte wins the 16th Taiwan Excellence Award for the 11th consecutive year.
May 2008	The Multi-Media IP-TV Box Glee Cube won the grand award in "Taiwan Golden Award 2008". Both the notebook cooler pad "Roll Pad" and smart phone "GSmart MS820" also won the "2008 Taiwan Excellence Award Silver Medal".
August 2008	Board Meeting approved the merger of "Gigabyte" motherboard and graphic card subsidiary "Gigabyte United Inc." effective from October 1.
October 2008	GA-EP45-UD 3P series P45 motherboard with "Ultra Durable 3" technology released.
November 2008	Strategic alliance of Gigabyte, Intel and Chunghwa Telecom launches the first MID (Mobile Internet Device) ---GIGABYTE M528.
April 2009	Gigabyte launched the Booktop M1022M, an innovative multi-purpose portable notebook that can be transformed into PC by using a plug and play dock.
April 2009	Gigabyte Intel X58 series motherboard authorized by n-Vidia to use SLI technology for increased graphical performance.
June 2009	Gigabyte ranked 19th in the "2009 Taiwan Info Tech 100" for its innovative value.
October 2009	Gigabyte's Booktop M1022 awarded the "2009 Golden Pin Design Award", making it the only laptop winner.
November 2009	Gigabyte is the first in the industry to roll out a USB 3.0 SATA 6 Gbps solution based on AMD platform.
December 2009	At 18th "Taiwan Excellence Award", Gigabyte achieved a 100% win rate for 12th consecutive years.

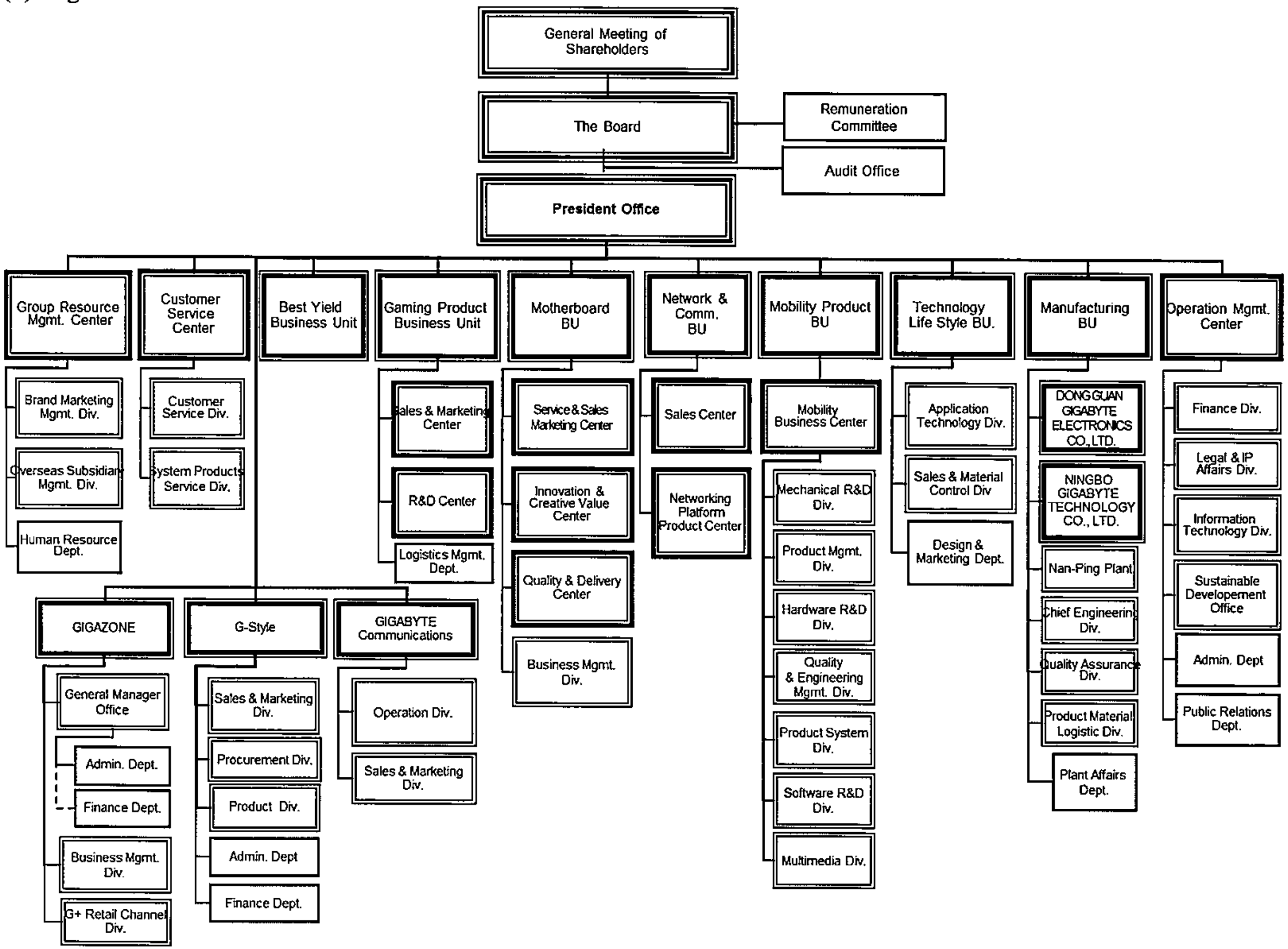
January 2010	Gigabyte's USB motherboard is the first to receive the USB-IF certification.
February 2010	Gigabyte rolls out its first P55 chipset UD7 mother board.
March 2010	Gigabyte rolls out the industry's lightest laptop and a Netbook powered by Intel's latest Pine Trail-M platform.
April 2010	Gigabyte is the first in the industry to roll out a mother board that possesses iPad USB power supply functionality.
July 2010	Gigabyte is the first in the industry to roll out a Mini-ITX motherboard featuring USB 3.0.
September 2010	Gigabyte ranked 17th in a survey of international Taiwanese brands value.
December 2010	At the 19th "Taiwan Excellence Award", Gigabyte achieved a 100% win rate for the 13th consecutive year.
January 2011	Gigabyte rolls out new generation of motherboards that support Intel Core Duo (Sandy Bridge) processors.
February 2011	Gigabyte announced a new G1-Killer gaming motherboard, providing gamers superior graphics, superior audio, superior speed, and superior durability for ultimate performance.
March 2011	Gigabyte X58A-OC motherboard is the world's first motherboard designed specifically for overclocking. Gigabyte K8100 gaming keyboard won the Red Dot design award in Germany.
April 2011	Gigabyte GA-X58A-UD9 won the "19th Taiwan Excellence Awards Silver Medal".
May 2011	Gigabyte G1 Assassin won the "Innovation and Design Award" at the 2012 Taipei International Computer Show.
July 2011	GIGABYTE named one of the 100 major brands in Taiwan.
November 2011	Gigabyte Education Foundation recognized for service to social education by the Ministry of Education.
January 2012	At the 20th "Taiwan Excellence Award", Gigabyte achieved a 100% win rate for the 14th consecutive year.
February 2012	GIGABYTE passed AEO certification.
October 2012	In the Survey on Taiwan's International Brands (2012), conducted by Interbrand, managed by the Taiwan External Trade Development Council, and sponsored by the Ministry of Economic Affairs, Gigabyte proved its solid brand prestige, ranking 22nd among Taiwan's international brands.

November 2012	Gigabyte participated in the Best Business Paradigm Award sponsored by the Taoyuan County Government and received "Sensible Workplace – Best Business Paradigm Award."
December 2012	At the 21th "Taiwan Excellence Award", Gigabyte achieved a 100% win rate for the 15th consecutive year.
December 2012	The Company was awarded the Corporate Sustainability Award of Industry Elite Award in the information products and services category by the Industrial Development Bureau, MOEA.
April 2013	Gigabyte's Aivia Neon won Germany's 2013 Red Dot Product Design Award.
April 2013	Gigabyte's P2542G gaming notebook and GTX 680 performance display card won the Silver Medal at the 21st Taiwan Excellence Awards.
June 2013	Gigabyte won the Innovation Design Award at Computex 2013.
December 2013	At the 22nd "Taiwan Excellence Award", Gigabyte achieved a 100% win rate for the 16th consecutive year.
December 2013	The Company received the "2013 Carbon Reduction Mark Superior Award" from the Environmental Protection Administration, Executive Yuan
April 2014	Gigabyte's BRIX super-micro PC system won the Silver Medal at the 22nd Taiwan Excellence Awards.
August 2014	Gigabyte won the New Star Award in the large-scale enterprise category in the 2014 *CommonWealth Magazine* "Corporate Citizenship Awards".
October 2014	Gigabyte won the Taoyuan County Government "8th Taoyuan Excellent Enterprise Award" and "2014 Excellent Employer Award".
November 2014	Gigabyte won the "Taiwan CSR Report Awards - Bronze Medal, Large Enterprises, Electronics Industry II" and "TCSA Climate Leadership Award".
December 2014	The "AORUS X3 Plus" 13" e-sports notebook and "GA-Z97X-Gaming G1 Multimedia Motherboard" were recognized at the 23rd Taiwan Excellence Awards.
March 2014	"AORUS Thunder K7 and M7" received the 2015 Red Dot Design Award in Germany

Three. Corporate Governance Report

1. The Organization System

(1) Organization chart



(2) Major functional departments:

Office of the President	Coordinate the operation and management of the Company, map out and implement the objectives for corporate development and business plans.
Auditing Office	Investigate and evaluate the viability, reasonability and effectiveness of the Company control systems.
Group Resource Management Center	Responsible for the resource integration and the management of GIGABYTE brand, human resources and overseas subsidiaries.
Operations Management Center	Coordinate the functions of finance, accounting, share registration, budgeting, general affairs, legal affairs and the maintenance of computer system, software and hardware.
Manufacturing BU	Responsible for the production and manufacturing of computer mainboards, display cards and Internet products, and the assembly of PC systems.
Motherboard BU	Responsible for design and R&D and sales of motherboard.
Network & Comm. BU	BU Responsible for design and R&D and sales of Network and Communication products and ODM products.
eSports BU	Responsible for design, R&D and marketing of multimedia and display card products.
Mobile Product BU	Responsible for design and R&D of notebook products.
Tech Lifestyle BU	Responsible for design and R&D of IoT products.
Customer Service Center	Responsible for after-sales support and service of all products.
Best Yield BU	Responsible for overseas after-sales support and service for all products.

II.Profiles of directors, supervisors, the president, vice president, managers, heads of departments and branches

(I)Profiles of directors and supervisors (1)

April 19, 2014

Title (Note 1)	Nationality/ Registration	Name	Elected date (Note 2)	Tenure	Initial date of office	Shareholdings at the time of elected office		Current shareholdings		Representative Current shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company or in other companies	Spouse or relative at the 2nd level under the Civil Law who is also an executive, director, or supervisor of the Company		
						Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship
Chairman	Republic of China	Yeh, Pei-Chen	Jun. 1, 2012	3 years	75.4.30	28,831,237	4.49%	28,531,237	4.54%			7,373,645	1.17%	-	-	College graduate; Ming Hsin Engineering College Engineer at ITRI	President of Gigabyte Chairman of Chi-Ga Investment Chairman of Giga-Byte Communications INC. Director of G-Style Director of Gigatrend Technology Co., Ltd. Director of Giga-Trend International Management Group Ltd. Chairman of Giga Win International Venture Investment Group Ltd. Giga-Trend International Chairman of Investment Group Ltd. Director of Chun electronics co., LTD. Chairman of PG Union Director of Walsin Technology Corporation Chairman of GIGAZONE	-	-	-
Vice chairman	Republic of China	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	Jun. 18, 2012	3 years	95.4.12	14,062,200	2.19%	14,062,200	2.24%	41,168,918	6.55%	4,592,370	0.73%	-	-	EMBA, College graduate; National Cheng Chi University Engineer at G-color Enterprise CO., Ltd	COO at Gigabyte Director of Chi-Ga Investment Director of Giga-Byte Communications INC. Director of G-Style Chairman of Gigatrend Technology Co., Ltd. Chairman of Giga-Trend International Management Group Ltd. Director of Info-Tek Corp.Info-TeK Corporation Director of Giga Win International Venture Investment Group Ltd. Director of Giga-Trend International Investment Group Ltd. Director of Hui Yang Venture Capital Co., Ltd. Supervisor of GIGAZONE Director of JM Material Technology, Inc. Supervisor of Senyun Precise Optical Co.,Ltd	-	-	-

Title (Note 1)	Nationality/ Registration	Name	Elected date (Note 2)	Tenure	Initial date of office	Shareholdings at the time of elected office		Current shareholdings		Representative Current shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company or in other companies	Spouse or relative at the 2nd level under the Civil Law who is also an executive, director, or supervisor of the Company		
						Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Title	Name	Relationship
Director	Republic of China	Shi Jia Investment Co., Ltd. Representative: Ma, Meng-Ming	Jun. 18, 2012	3 years	95.4.12	3,959,725	0.62%	3,959,725	0.63%	23,620,024	3.76%	470,914	0.07%	-	-	University graduate; Electronic & Computer Engineering, National Taiwan University of Technology Engineer at Acer Systems	Gigabyte Executive VP Director of Chi-Ga Investment Director of Giga-Byte Communications INC. Chairman of G-Style Director of Gigatrend Technology Co., Ltd. Director of Giga-Trend International Investment Group Ltd. Director of GIGAZONE	-	-	-
Director	Republic of China	Yuei-yei Kai Fa Investment Limited. Representative: Tseng, Chun-Ming	Jun. 18, 2012	3 years	98.6.16	2,192,200	0.34%	2,192,200	0.35%	4,695,647	0.75%	288,846	0.05%	-	-	College graduate; Ming Hsin Engineering College General Manager at Upjohn	Gigabyte Executive VP Director of Giga-Byte Communications INC.	-	-	-
Director	Republic of China	Shi Da Investment Limited Representative: Ko, Tsung-Yuan	Jun. 18, 2012	3 years	101.6.18	17,334,000	2.70%	17,289,000	2.75%	-	-	174,197	0.03%	-	-	Master of Engineering Management, Tsinghua University	President of Albatron technology CO.,LTD Supervisor of Chun electronics co., LTD.	-	-	-
Supervisor	Republic of China	Xi Wei Investment Co., Ltd. Representative: Chen, Hui-Chou	Jun. 18, 2012	3 years	95.4.12	9,063,075	1.41%	9,063,075	1.44%	0	0.00%	0	-	-	-	MBA National Chengchi University	President of Senyun Optical Corp. Chairman of Senyun Precise Optical Co.,Ltd Chairman of Pei Ze Investments Supervisor of Victory Circuit Co., Ltd. Supervisor of BASO Precision Optics Co., LTD. Supervisor of SINTRONIC Technology. Independent director of Info-TeK Corporation Independent director of Jochu Technology Co., Ltd.	-	-	-
Supervisor	Republic of China	Wang, Hui-Min	Jun. 18, 2012	3 years	92.6.17	-	-	-	-			-	-	-	-	Master degree Industrial Management Chung Hua University	Chairman at PYRAMID CPAs Supervisor of Giga-Byte Communications INC. (Note1)	-	-	-
Supervisor	Republic of China	Pan, Chi-Hsiu	Jun. 18, 2012	3 years	92.6.17	404	-	404	-			-	-	-	-	Vocational school	-	-	-	-

(Note 1) Wang Hui-Min, formerly the supervisor of Giga-Byte Communications INC., left the position on April 18, 2014.

Profiles of Directors and Supervisors (2)

April 14, 2014

Qualification / Name (Note 1)	Have more than 5 years of experience and the following professional qualifications: Lecturer of the above in commerce, law, finance, accounting or subjects required by the business of the Company in public or private colleges or universities	Passed the qualification examination with proper licensing by the national government as court judge, prosecutor, lawyers, certified public accountant or other professional designations required by the business of the Company	Commerce, law, finance or as required by the Company	Status of independence (Note 2): 1	2	3	4	5	6	7	8	9	10	As independent director to other IPO companies
Yeh, Pei-Chen			✓				✓	✓	✓	✓	✓	✓	✓	
Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung			✓				✓	✓	✓	✓	✓	✓		
Shi Jia Investment Co., Ltd. Representative: Ma, Meng-Ming			✓				✓	✓	✓	✓	✓	✓		
Yuei Yei Development Investment Ltd. Representative: Tseng, Chun-Ming			✓				✓	✓	✓	✓	✓	✓		
Shi Da Investment Limited Representative: Ko, Tsung-Yuan			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Xi Wei Investment Co., Ltd. Representative: Chen,Hui-Chou			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Wang, Hui-Min		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Pan, Chi-Hsiu			✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	

Note 1:The number of fields may be adjusted depending on the content.

Note 2:Respective director and supervisor who meet the following qualifications 2 years before assumption of office or at the time of assumption office shall put a "✓" in the appropriate space.

(1)Not an employee of the Company or its affiliates.

(2)Not a director or supervisor of a company affiliate (excluding the capacity of independent director to the Company's parent company, or a subsidiary with more than a 50% stake held directly or indirectly held by the Company).

(3)Not a natural person itself, spouse, underage children, or under the title of a third party who holds more than 1% of the outstanding shares issued by the bank or among the top 10 natural person shareholders.

(4)Not a spouse, kindred at the second tier under the Civil Code, or the next of kin within the fifth tier under the Civil Code as specified in (1) through (3).

(5)Not a director, supervisor or employee of an institutional shareholder who holds more than 5% of the outstanding shares issued by the bank, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders.

(6)Not a director, supervisor, manager or shareholder holding more than 5% of the outstanding shares of a specific company or institution in business or financial relation with the bank.

(7)Not a professional, owner, partner, director, supervisor, manager of proprietorship, partnership, company or institution that provide business, legal, financial and accounting services to the bank or a spouse to the aforementioned persons. However, members of remuneration committee who perform their duties according to Article 7 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter are exempt.

(8)Not a spouse or kindred at the second tier under the Civil Code to any other director.

(9)Not under any of the categories stated in Article 30 of the Company Act.

(10)Not being elected as representative to the government or an institution under Article 27 of the Company Act.

The Major Shareholder of Institutional Shareholders

April 19 2014

The Name of institutional shareholders	Major shareholder	Proportion
Ming Wei Investment Co., Ltd.	Yang, Hsueh-Ching	30.00%
	Liu, Ming-Hsiung	29.97%
Shi Jia Investment Co., Ltd.	Cheng, Ching-Chih	90.00%
	Ma, Meng-Ming	3.27%
Xi Wei Investment Co., Ltd.	Tsai, Li-Mei	27.50%
	Yeh, Pei-Chen	27.50%
Yuueyeh Development Investment Limited.	Tseng, Chun-Ming	95.00%
Shi Da Investment Limited	Ko, Tsung-Yuan	80.00%

(II)Profiles of the managers

April 19 2014

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
President of Gigabyte	Republic of China	Yeh, Pei-Chen	Mar. 15, 1986	28,531,237	4.54%	7,373,645	1.17%	-	-	College graduate, engineer at ITRI	Chairman, Chi-Ga Investment Director Representative, Giga-Byte Communications INC. Director Representative, G-Style Director Representative, Gigatrend Technology Co., Ltd. Director Representative, Giga-Trend International Management Group Ltd. Chairman, Giga Win International Venture Investment Group Ltd. Chairman, Giga-Trend International Investment Group Ltd. Chairman, Chun electronics co., LTD. Chairman, PG Union Director Representative, Walsin Technology Corporation Director, Gigazone	-	-	-
Executive VP of Gigabyte	Republic of China	Ma, Meng-Ming	Mar. 26, 1988	23,620,024	3.76%	470,914	0.07%	-	-	University graduate, engineer at Acer Systems	Director Representative, Chi-Ga Investment Director Representative, Giga-Byte Communications INC. Director of G-Style Director Representative, Gigatrend Technology Co., Ltd. Director Representative, Giga-Trend International Investment Group Ltd. Director Representative, Gigazone	-	-	-

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
Senior VP of Gigabyte COO at Operation Center	Republic of China	Liu, Ming-Hsiung	Mar. 15, 1986	41,168,918	6.55%	4,592,370	0.73%	-	-	EMBA, College graduate, engineer G-COLOR ENTERPRISE CO., LTD.	Director Representative, Chi-Ga Investment Director Representative, Giga-Byte Communications INC. Director Representative, G-Style Chairman, Gigatrend Technology Co., Ltd. Chairman, Giga-Trend International Management Group Ltd. Director, Info-Tek Corp. Director Representative, Giga Win International Venture Investment Group Ltd. Director Representative, Giga-Trend International Investment Group Ltd. Director Representative, Hui Yang Venture Capital Co., Ltd. Supervisor representative, GIGAZONE Director Representative, JM Material Technology, Inc. Supervisor representative, Senyun Precise Optical Co.,Ltd	-	-	-
Senior VP of Gigabyte Manufacturing Business Unit	Republic of China	Tseng, Chun-Ming	Jun. 1, 1993	4,695,647	0.75%	288,846	0.05%	-	-	College graduate, General Manager at Jpjohn	Director of Giga-Byte Communications INC.	-	-	-
Senior VP of Gigabyte Motherboard Business Unit	Republic of China	Lin, Huo-Yuan	Sep. 25, 1989	209,846	0.03%	-	-	-	-	University graduate, engineer at Li Hsin Enterprise Co., Ltd.	-	-	-	-
General Manager, Network & Comm. BU	Republic of China	Lee, Yi-Tai	Apr. 24, 2000	6,062	0.00%	-	-	-	-	Master degree Manager at Intel, Engineer at Siemens, Engineer at Texas Instruments	-	-	-	-

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
General Manager, Manufacturing BU	Republic of China	Meng, Hsian-Ming	Oct. 2, 2000	54,432	0.01%	-	-	-	-	PhD, VP at D-Link Q-Run Corp. Director CTX USA Director	-	-	-	-
Motherboard Business Unit Senior Special Assistant	Republic of China	Hong, Wen-Chi	Jun. 16, 1999	-	-	-	-	-	-	University graduate, SHIN TAI INDUSTRY CO., LTD. Manager, First International Computer		-	-	-
C.F.O. , Finance and Accounting Division, Operation Center	Republic of China	Chen, Chun-Ying	Apr. 6, 1994	22,191	0.00%	86,742	0.01%	-	-	University of South Australia MBA Senior Accountant, Chao Da Communications Technology Section Manager, SUPERWAVE ELECTRONIC CO., LTD.	Supervisor representative ,Chi-Ga Investment Supervisor representative ,Giga-Byte Communications INC. Supervisor representative ,G-Style Supervisor representative ,Gigatrend Technology Co., Ltd. Supervisor representative, Giga-Trend International Management Group Ltd. Supervisor representative ,Giga-Trend International Investment Group Ltd. Director Representative, Senyun Precise Optical Co.,Ltd	-	-	-
Oversea management, Group Resource Mgmt. Center	Republic of China	Lu, Zheng-wei	Jun. 1, 1990	64,936	0.01%	-	-	-	-	Northrop University MBA	-	-	-	-
C.I.O. , Operation Management Center	Republic of China	Bai, Guang-Hua	Apr. 1, 2005	17,000	0.00%	-	-	-	-	Master degree Supervisor, Huaxia Technology Consulting Assistant Manager, A-TREND TECHNOLOGY CO., LTD	Director Representative, Senyun Precise Optical Co.,Ltd	-	-	-

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
V.P. & Special Assistant to President Group Resource Mgmt. Center	Republic of China	Chen, Jing-Ting	Jun.12, 2000	22,071	0.00%	-	-	-	-	Simon Fraser University Advanced Interpreter Program Benchmark Corp. Evergrace & Benly Intel	-	-	-	-
Network & Comm. BU, Assistant manager	Republic of China	Chen, Zhang-Xiang	Jun. 16, 1999	-	-	-	-	-	-	College graduate Manager, First International Computer MIRCO STAR INTERNATIONAL	-	-	-	-
President's office, manager special assistant	Republic of China	Chen, Shi-Cheng	Nov. 27 2000	854	0.00%	-	-	-	-	Syracuse University computer engineer Engineer at BenQ Engineer at Motorola	-	-	-	-
Network and Communications Business Group, Network Platform Product Center, Senior Assistant Manager	Republic of China	Hou, Chih-Jen	Apr. 14, 2000	30,291	0.00%	-	-	-	-	EECS - Northwestern University Senior Manager, Acer	-	-	-	-
Motherboard Business Unit, Service and Sales Marketing Center, Vice President	Republic of China	Kao, Han-Yu	Feb. 1, 2001	-	-	-	-	-	-	University graduate SONY Taiwan IPO General Manager	-	-	-	-
Vice General Manager, Sales cent Motherboard BU	Republic of China	Chen, Chen-Shun	Sep. 1, 2000	20,000	0.00%	-	-	-	-	University graduate Engineer, Nan Ya Technology Asst VP Phoenix Technologies Ltd.	-	-	-	-
Motherboard Business Unit, Service and Sales Marketing Center, North America Office, Senior Assistant Manager	Republic of China	Liao, Chi- Li	Oct. 1, 1998	-	-	784	0.00%	-	-	Master degree ASUSTEK COMPUTER INC.	-	-	-	-
Motherboard Business Unit, Service and Sales Marketing Center,, Russia office, Senior Assistant Manager	Republic of China	Hsiao, Wen-Ta	Feb. 11, 1998	100,714	0.02%	-	-	-	-	University graduate D-LINK CORPORATION	-	-	-	-

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
Motherboard Business Unit, Service and Sales Marketing Center,, ASEAN office, Senior Assistant Manager	Republic of China	Liu, Wen-Chung	Apr. 1, 1999	-	-	-	-	-	-	University graduate First International Computer, Inc	-	-	-	-
Motherboard Business Unit, Innovation and creative value center, software office, assistant manager	Republic of China	Deng, Yi-Ming	Mar. 11, 1997	-	-	-	-	-	-	University graduate First International Computer Co., Ltd. BIOS section manager	-	-	-	-
Motherboard Business Unit, Innovation and Firmware Office 2 creative value center, Senior Assistant Manager	Republic of China	Tseng, Wei-Wen	Sep.1, 2003	-	-	-	-	-	-	University graduate Phoenix Tech. Senior assistant manager VIA TECHNOLOGIES, INC.	-	-	-	-
Motherboard Business Unit, Innovation and creative value center,, hardware office 1, Assistant Manager	Republic of China	Liao, Che-Hsien	Jun. 16, 1997	32,000	0.01%	-	-	-	-	Master degree	-	-	-	-
Assistant Manager, Mobility Product Business Center Software R&D	Republic of China	Lan, Jun Kun	Nov 13, 2000	-	-	-	-	-	-	Master degree Manager at Intel	-	-	-	-
Network & Comm. BU Network Platform Product Center, Assistant Manager	Republic of China	Chen, Yun Di	May 2, 2000	30,031	0.00%	-	-	-	-	Master degree Manager at Siemens GTE	-	-	-	-
Assistant Manager, Overseas Manufacturing Ningbo Gigabyte	Republic of China	Ko, Wei-Di	Jun. 26, 2000	-	-	-	-	-	-	EMBA Yuan Ze University Special assistant to the Vice President/Section manager at Gold Circuit Electronics Manager at Unimicron	-	-	-	-

Title	Nationality	Name	Date of office	Shareholdings		Shareholdings by spouse and underage children		Shareholdings under the title of a third party		Education and experience	Other positions in the Company	Manager who is a spouse or relative at the 2nd level under the Civil Law		
				Quantity	Proportion	Quantity	Proportion	Quantity	Proportion			Quantity	Proportion	Quantity
Assistant manager, Legal and IP Affairs Division, Operation Management Center	Republic of China	Chiu, Chih Peng	Jan. 2, 2014	-	-	-	-	-	-	People's University China, Civil and Business Law (Doctor) Attorney at Law, Lin & Associates, Maritime Law Office Assistant manager, Info-Tek Corporation	-	-	-	-
Motherboard Business Unit Assistant Manager, China Division	Republic of China	Lan, Shao Wen	Oct. 1, 2008	-	-	-	-	-	-	International MBA, National Taiwan University Vice President, Wuhan Tianchao Technology Subsidiary Special assistant to the Chairman Xuyao Telecom	-	-	-	-
Assistant Manager, Chief Engineering Division, Manufacturing Business Unit	Republic of China	Sun, Wu Hsiung	Aug. 28, 2000	10,455	0.00%	-	-	-	-	Department of electronics, Yunlin Institute of Technology Vice manager of engineering technology at Chih Fu Corp.	-	-	-	-
Assistant manager, R&D Division, eSports Business Unit	Republic of China	Huang, Shun Chih	Nov 20, 2003	-	-	-	-	-	-	Department of Electronics Engineering, Taiwan Institute of Technology Engineer at First International Computer Manager at Shengchuan Technology Manager at Universal Scientific Industrial	-	-	-	-
Assistant manager, Sales and Marketing Division, eSports Business Unit	Republic of China	Lin, Ying Yu	Nov 3, 2003							MBA, National Chung Hsing University Vice manager at TUL Corporation Vice manager at Elitegroup Computer Systems				

(III) Remunerations for the directors, supervisors, president, and vice presidents

(1) Fees for the directors (including independent directors) (on the same scale and disclosed collectively)

December 31 2014; Unit: NTD1,000/1,000 shares

Title	Name (*1)	Director								Ratio of the total ABCD to the net earnings after tax (*11)		The director may also be an employee														Ratio of the total ABCDEFG to the net earnings after tax (*11)		Related remunerations from investees other than the subsidiaries (*12)
		Remuneration (A) (*2)		Pensions (B)		Remuneration to directors as allocated earnings (C) (*3)		Expenses incurred for business purposes (D) (*4)				Salaries, awards and special subsidies etc. (E) (*5)		Pensions (F)		Bonus to employees as allocated earnings (G) (*6)				Amounts of employee stock option certificates acquired (H) (*7)		Amounts of employee limited stock (*13)				
		Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte		All firms covered I the consolidated financial statements (*8)		Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	Giga-Byte	All firms covered I the consolidated financial statements (*8)	
																Cash dividends	Stock dividends	Cash dividends	Stock dividends							
Chairman	Yeh, Pei-Chen	0	0	0	0	54,380	54,380	2,955	2,955	2.39%	2.39%	68,208	68,208	0	0	27,000	0	27,000	0	5,165	5,165	0	0	6.36%	6.36%	None
Corporate representative, Ming Wei Investment Co., Ltd.	Liu, Ming-Hsiung																									
Corporate representative, Shih Chia Investment Co., Ltd.	Ma, Meng-Ming																									
Corporate representative, Yue Yeh Investment Co., Ltd.	Tseng, Chun-Ming																									
Corporate representative, Shih Da Investment Co., Ltd.	Ko, Tsung-Yuan																									

Tiers of Remuneration

Scale of remuneration to Giga-Byte's directors	Number of directors			
	Sum of the First Four Types of Remuneration (A+B+C+D)		Sum of the First Seven Types of Remuneration(A+B+C+D+E+F+G)	
	Our Company (Note 9)	All Companies in the Financial Statements (Note 10) I	Giga-Byte (*9)	All firms covered I the consolidated financial statements (*10) J
Below NTD2,000,000				
NTD2,000,000～5,000,000	Ko, Tsung-Yuan	Ko, Tsung-Yuan	Ko, Tsung-Yuan	Ko, Tsung-Yuan
NTD5,000,000～10,000,000				
NTD10,000,000～15,000,000	Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma, Meng-Ming, Tseng, Chun-Ming	Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma, Meng-Ming, Tseng, Chun-Ming		
NTD15,000,000～30,000,000				
NTD30,000,000～50,000,000			Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma, Meng-Ming, Tseng, Chun-Ming	Yeh, Pei-Chen, Liu, Ming-Hsiung, Ma, Meng-Ming, Tseng, Chun-Ming
NTD50,000,000～100,000,000				
Over NTD100,000,000				
Total				

Note 1: The name of each director shall be stated separately (the names of institutional shareholders and their representative have also been separately listed) and the amount of remunerations to each is disclosed in aggregate.

Note 2: The total amount of traveling subsidies and remunerations disbursed in the most recent year (including the salaries, subsidies , bonus and awards).

Note 3: The amount of remunerations to directors from earnings planned to disburse for the most recent year resolved by the Board.

Note 4: This refers to the expenses incurred for business purposes by directors (including, traveling subsidy, special subsidy, all forms of subsidies, housing, company car and other subsidies in kind). It the Company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments.

Note 5: Where a specific director may also be an employee (refers to the position of President, Vice President, manger or employee) the salaries, occupational subsidies, pensions, compensation on discharge, bonus, awards, traveling subsidy, special subsidies, different forms of subsidies, housing, company car and other means of transportation or the spending is exclusive to particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments. If a chauffeur is provided, specify the remunerations thereto but do not include as the remunerations to directors.

Note 6: Whenever directors who are also employees (including serving as the president, vice president, other managers, and regular employees) and receive employee bonus (including stock and cash bonus) in the most recent year, the Company must disclose the proposed employee bonus approved by the Board resolution in the earnings distribution proposal in the most recent year. If the bonus cannot be estimated, the Company calculates the proposed distribution balance this year based on the amount of actual distribution last year.

Note 7: This figure refers to the number of shares that could be purchased by the employee stock option (excluding the options that have been exercised) for directors who are also employees (including serving as the president, vice president, other managers, and regular employees).

Note 8: Disclose the total remunerations to all directors of the Company from all companies stated in the consolidated financial statement (including the Company).

Note 9: The number of directors at each bracket of the remunerations scale. For remunerations to institutional directors, divide the remunerations by the number of representatives appointed. If the Company is willing to disclose the names of directors in all brackets on a list, Change the name of the field marked "number of directors" to "names of directors".

Note 10: The number of directors at each bracket of the remunerations scale paid by companies included in the consolidated financial statements (including the Company). If the Company is willing to disclose the names of directors in all brackets on a list, Change the name of the field marked "number of directors" to "names of directors".

Note 11: Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.

Note 12:
a. Explicitly state if the directors of the Company "have" or "have not" receive related remunerations from investees other than the subsidiaries.
b. If received from a subsidiary company directors investees other than those related to compensation, should be transferred outside the Company directors in the investment business by the subsidiary to receive remuneration, remuneration levels from the table into the J Field, and Change the field name As "all reinvestments. "
c. Remunerations shall be referred to the rewards, wages, employee bonus and income for business operation and related payments to the directors in their roles with the subsidiaries as directors, supervisors or managers.

Note 13: This figure refers to the number of new restricted employee shares as of the publication date of the annual report obtained by directors who are also employees (including serving as the president, vice president, other managers, and regular employees).

* The content of remunerations disclosed in this table may vary with the concept of remunerations as applied to Tax Code. As such, information contained in the table is only for disclosure and not intended for income tax purposes.

(2) Fees for the supervisors (on the same scale and disclosed collectively)

December 31, 2014; Unit: NTD1,000/1,000 shares

Title	Name	Fees for the Supervisors						Ratio of the total ABC to the net earnings after tax (*8)		Related remunerations from investees other than the subsidiaries (*9)
		Remuneration (A) (*2)		Remuneration to directors as allocated earnings (B)(*3)		Expenses incurred for business purposes (C)(*4)				
		Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte	All firms covered I the consolidated financial statements (*5)	Giga-Byte	All firms covered in the consolidated financial statements (*5)	
Supervisor	Xi Wei Investment Co., Ltd Corporate representative: Chen, Hui-Chou	0	0	4,183	4,183	38	38	0.18%	0.18%	None
Supervisor	Wang, Hui-Min									
Supervisor	Pan, Chi-Hsiu									

Tiers of Remuneration

Remuneration grade:Scale of remuneration to Giga-Byte's supervisors	Number of supervisors	
	Total amount of ABC	
	Giga-Byte (*6)	All firms covered in the consolidated financial statements (*7)D
Below NTD 2,000,000	Pan, Chi-Hsiu; Xi Wei Investment Co., Ltd. Representatives: Chen, Hui-Chou; Wang, Hui-Min	Pan, Chi-Hsiu; Xi Wei Investment Co., Ltd. Representatives: Chen, Hui-Chou; Wang, Hui-Mi
NTD 2,000,000～5,000,000		
NTD 5,000,000～10,000,000		
NTD 10,000,000～15,000,000		
NTD 15,000,000～30,000,000		
NTD 30,000,000～50,000,000		
NTD 50,000,000～100,000,000		
Over NTD 100,000,000		
Total		

Note 1: The name of each supervisor shall be stated separately (the names of institutional shareholders and their representative have also been separately listed) and the amount of remunerations to each is disclosed in aggregate.

Note 2: The total amount of traveling subsidies and remunerations disbursed in the most recent year (including the salaries, subsidies, bonus and awards).

Note 3: The amount of remunerations to supervisor s from earnings planned to disburse for the most recent year resolved by the Board.

Note 4 This refers to the expenses incurred for business purposes by supervisor s (including, traveling subsidy, special subsidy, all forms of subsidies, housing, company car and other subsidies in kind). It the Company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments.

Note 5: Disclose the total remunerations to all supervisors of the Company from all companies stated in the consolidated financial statement (including the Company).

Note 6: The number of supervisors at each bracket of the remunerations scale. For remunerations to institutional directors, divide the remunerations by the number of representatives appointed. If the Company is willing to disclose the names of supervisors in all brackets on a list, Change the name of the field marked "number of supervisors" to "names of supervisors".

Note 7: The number of supervisors at each bracket of the remunerations scale paid by companies included in the consolidated financial statements (including the Company). If the Company is willing to disclose the names of supervisors in all brackets on a list, Change the name of the field marked "number of supervisors" to "names of supervisors".

Note 8: Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.

Note 9:
a. In this box, the Company must fill out the compensation received from investments other than subsidiaries by the supervisor of the Company.
b. If received from a subsidiary company directors investees other than those related to compensation, should be transferred outside the Company directors in the investment business by the subsidiary to receive remuneration, remuneration levels from the table into the D Field, and Change the field name As "all reinvestments. "
c. Remunerations shall be referred to the rewards, wages, employee bonus and income for business operation and related payments to the supervisors in their roles with the subsidiaries as directors, supervisors or managers.

* The content of remunerations disclosed in this table may vary with the concept of remunerations as applied to Tax Code. As such, information contained in the table is only for disclosure and not intended for income tax purposes.

(3) Remunerations for General Managers and the Vice General Managers (on the same scale and disclosed collectively)

December 31 2014 Unit: NTD1,000/1,000 shares

Title	Name	Salary (A) (*2)		Pensions (B)		Award, special subsidy and other subsidy in kind (C) (*3)		Bonus to employees as allocated earnings (D) (*4)				Ratio of the total ABCD to the net earnings after tax (%) (*9)		Acquired employee stock options certificate (*5)		Amounts of employee limited stock (*11)		Related remunerations from investees other than the subsidiaries (*10)
		Giga-Byte	All firms covered I the consolidated financial statements (*6)	Giga-Byte	All firms covered I the consolidated financial statements (*6)	Giga-Byte	All firms covered I the consolidated financial statements (*6)	Giga-Byte		All firms covered I the consolidated financial statements (*6)		Giga-Byte	All firms covered I the consolidated financial statements (*6)	Giga-Byte	All firms covered I the consolidated financial statements (*6)	Giga-Byte	All firms covered I the consolidated financial statements (*6)	
								Cash dividends	Stock dividends	Cash dividends	Stock dividends							
President	Yeh, Pei-Chen	34,497	34,497	1,097	1,097	155,378	155,738	55,000	0	55,000	0	10.26%	10.28%	8,630	8,630	0	0	None
Senior VP	Ma, Meng-Ming																	
COO	Liu, Ming-Hsiung																	
Senior VP	Tseng,Chun-Ming																	
Senior VP	Lin, Huo-Yuan																	
General Manager of BU	Lee, Yi-Tai																	
General Manager of BU	Meng,Hsian-Ming																	
Business Unit Vice President	Yen, Cheng -Hsia																	
Business Unit Senior Special Assistant	Hong, Wen-Chi																	
Vice General Manager of BU	Lu, Zheng-wei																	
Vice General Manager of Center	Chen, Jin-Ting																	
Business Unit Vice President	Kao, Han-Yu																	
Business Unit Vice President	Chen, Chen-Shun																	
C.I.O.	Bai, Guang-Hua																	
C.F.O.	Chen,Chun-Ying																	
C.L.O. (Note12)	Fan, Kuo-Hua																	
General Manager of subsidiary	Ye,Lin-da																	

* regardless of title, where the position equivalent to president, vice president (for example: President, CEO, Director, ... etc.), all should be exposed.

Tiers of Remuneration

Scale of remuneration to Giga-Byte's General Managers and the Vice General Managers	Number of GM & Vice GM	
	Giga-Byte (*7)	All firms covered I the consolidated financial statements (*8) E
Below NTD2,000,000		
NTD 2,000,000～5,000,000	Lu, Zheng-wei	Ye, Lin-da
NTD 5,000,000～10,000,000	Chen, Jin-Ting, Chen, Chun-Ying, Fan, Kuo-Hua, Bai, Guang-Hua, Yen, Cheng-Hsia,Meng, Hsian-Ming, Lee, Yi-Tai, Chen, Chen-Shun, Hong, Wen-Chi	Chen, Jin-Ting, Chen, Chun-Ying, Fan, Kuo-Hua, Bai, Guang-Hua, Yen, Cheng-Hsia,Meng, Hsian-Ming, Lee, Yi-Tai, Chen, Chen-Shun, Hong, Wen-Chi
NTD 10,000,000～15,000,000		Lee, Yi-Tai
NTD 15,000,000～30,000,000	Yeh, Pei-Chen, Liu, Ming-Hsiun, Ma, Meng-Ming, Tseng, Chun-Ming,	Yeh, Pei-Chen, Liu, Ming-Hsiun, Ma, Meng-Ming, Tseng, Chun-Ming
NTD 30,000,000～50,000,000		
NTD 50,000,000～100,000,000	Lin Huo-Yuan, Kao, Han-Yu	Lin, Huo-Yuan, Kao, Han-Yu
Over NTD 100,000,000		
Total		

Note 1: The name of each General Manager(GM) and the Vice General Manager(Vice GM) shall be stated separately and the amount of remunerations to each is disclosed in aggregate.

Note 2: The total amount of traveling subsidies and remunerations disbursed in the most recent year (including the salaries, subsidies, bonus and awards).

Note 3 This refers to the expenses incurred for business purposes by GMs or Vice GMs (including, traveling subsidy, special subsidy, all forms of subsidies, housing, company car and other subsidies in kind). It the Company provides housing, company car and other means of transportation or the spending is exclusive to a particular person, disclose the nature of the property and the cost, the actual rent or rent assessed with reference to fair market price, fuel subsidies and other payments.

Note 4: The Company must fill out the employee bonus (including stock and cash bonus) proposed to be distributed to the GM and Vice GM that is approve by the Board in the earnings distribution proposal in the most recent year before the shareholders' meeting. If this value cannot be estimated, the ratio of actual distribution from the last year is used for the calculation of proposed distribution this year.

Note 5: This amount refers to the number of shares earned from employee stock option by the GM and Vice GM up to the publication date of the annual report (not including the portion that has been exercised).

Note 6: Disclose the total remunerations to all GMs or Vice GMs of the Company from all companies stated in the consolidated financial statement (including the Company).

Note7: The number of GMs and Vice GMs at each bracket of the remunerations scale. For remunerations to institutional directors, divide the remunerations by the number of representatives appointed. If the Company is willing to disclose the names of GMs and Vice GMs in all brackets on a list, Change the name of the field marked "number of GMs and Vice GMs" to "names of GMs and Vice GMs".

Note8: The number of GMs and Vice GMs at each bracket of the remunerations scale paid by companies included in the consolidated financial statements (including the Company). If the Company is willing to disclose the names of GMs and Vice GMs in all brackets on a list, Change the name of the field marked "number of GMs and Vice GMs" to "names of GMs and Vice GMs".

Note9: Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.

Note10:
a. Explicitly state if GMs and Vice GMs of the Company "have" or "have not" receive related remunerations from investees other than the subsidiaries.
b. If received from a subsidiary company directors investees other than those related to compensation, should be transferred outside the Company directors in the investment business by the subsidiary to receive remuneration, remuneration levels from the table into the J Field, and Change the field name As "all reinvestments. "
c. Remunerations shall be referred to the rewards, wages, employee bonus and income for business operation and related payments to GMs and Vice GMs in their roles with the subsidiaries as directors, supervisors or managers.

Note 11: This figure refers to the number of new restricted employee shares as of the publication date of the annual report obtained by the president and the vice president).

* The content of remunerations disclosed in this table may vary with the concept of remunerations as applied to Tax Code. As such, information contained in the table is only for disclosure and not intended for income tax purposes.

(4) Stock dividends and Cash dividends for Managers

December 31 2014; Unit: NTD1,000/1,000 shares

	Title (*1)	Name (*1)	Stock dividends	Cash dividends	TOTAL	Ratio of the total to the net earnings after tax(%)
Manager	President	Yeh, Pei-Chen	0	55,000	55,000	2.29%
	Senior VP	Ma, Meng-Ming				
	Senior VP	Liu, Ming-Hsiung				
	Senior VP	Tseng,Chun-Ming				
	Senior VP	Lin, Huo-Yuan				
	General Manager of BU	Lee, Yi-Tai				
	General Manager of BU	Meng,Hsian-Ming				
	Business Unit Vice President	Yen, Cheng -Hsia				
	Senior Business Unit Special Assistant	Hong, Wen-Chi				
	Vice General Manager of BU	Lu, Zheng-wei				
	Vice General Manager of Center	Chen, Jin-Ting				
	Business Unit Vice President	Kao, Han-Yu				
	Business Unit Vice President	Chen, Chen-Shun				
	C.I.O.	Bai, Guang-Hua				
	C.F.O.	Chen,Chun-Ying				
	General Manager of Subsidiary	Ye, Lin-da				

Note 1: This refers to the scheduled employee dividend (including stock dividend and cash dividend) to be allocated to managers that was approved by the board meeting before surplus is allocated to the shareholders, if, however, the allocation can not be estimated, the allocation should then be calculated based on last year's actual distribution percentage. The stock dividend of TSE and OTC companies should be calculated based on the fair value regulated by the Guidelines Governing the Preparation of Financial Reports by Securities Issuers. The surplus of non-TSE and OTC companies is calculated based on the net value of the closing day of the current accounting period. Net profit after tax refers to the net profit after tax in the most recent year. For entities that have adopted IFRSs, net profit after tax refers to the entity's or the individual financial statement's net profit after tax in the most recent year.

The name and title of each individual manager should be disclosed respectively, while surplus can be disclosed in summary.

According to the Taiwan-Finance-Securities-III-0920001301 issued on March 27, 2003, the applicable scope of the managers is as follows:

(1) General Manager and equivalent level;
(2) Vice General Manager and equivalent level;
(3) Director and equivalent level;
(4) Financial supervisor;
(5) Accounting supervisor;
(6) Other managers and authorized personnel.

(IV) A comparative description with analysis on the ratio taken by the gross total of remuneration paid by Giga-Byte and all firms covered in the consolidated financial statements to Giga-Byte's directors and supervisors, president and vice presidents to the net earnings after tax over the past two years. Please describe as well the policies, criteria and composition of remuneration, procedures to fix remuneration, their interrelationship with Giga-Byte's business performance and future risks.

Item / Title and Description	2013 the ratio taken by the gross total of remuneration paid by Giga-Byte and all firms covered in the consolidated financial statements to Giga-Byte's directors and supervisors, president and vice presidents to the net earnings after tax		2014 the ratio taken by the gross total of remuneration paid by Giga-Byte and all firms covered in the consolidated financial statements to Giga-Byte's directors and supervisors, president and vice presidents to the net earnings after tax	
	Giga-Byte	All firms covered the consolidated financial statements	Giga-Byte	All firms covered the consolidated financial statements
Directors Supervisors GM & Vice GM	15.06%	15.06%	12.71%	12.72%

Title / Description	The remuneration of directors and supervisors	The remuneration of president and vice presidents
1.Policies of remuneration	The remuneration of directors and supervisors is below 3%, which is calculated based on the surplus allocation percentage stated in the Company's articles of association. Shareholders approval is required, shall there be any additional allocation and Changes to remuneration to directors and supervisors.	Carried out in accordance with the Company's Remuneration Management Regulations, Employee Performance Review Regulations, Business Unit Financial Performance Calculation and Review Principles, and the Performance Bonus Evaluation and Distribution Rules.
2.Criteria and composition of remuneration	Based on the weight allocation of the business responsibility and guarantee responsibility.	Includes base salary, living allowance, food allowance, duty allowance, travel allowance, holiday bonuses and performance bonuses.
3.Procedures to fix remuneration	The appropriation of surplus is planned by the board meeting and approved by the shareholders meeting.	Their salaries are fixed based on their educational and professional backgrounds, performance and service seniority and approved in accordance with the Company's delegation of authorization.
4.Interrelationship with Giga-Byte's business performance and future risks	Based on the Company's performance and profitability. Fulfilling business operation supervision responsibilities, detailing business operation direction, transforming crisis into new business opportunities.	Remuneration is paid based on target achievement rate, performance, profitability and contribution of the respective BU. Strengthening employees' loyalty to achieve the common goal of balancing gains and losses between employers and employees and tide over the risky economic landscape together.

III.Corporate Governance

(I) The operation of BOD

The resent year of BOD meeting 12 times (A), the attendance of the directors is as follows.

Title	Name(Note 1)	Actual attending B	Authorized attending	Ratio of actual attending (%) [B/A] (Note 2)	Remark
Chairman	Yeh, Pei-Chen	12	0	100%	Successive June 18,2 012 Re-election
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	12	0	100%	Successive June 18, 2012 Re-election
Director	Shi Jia Investment Co., Ltd. Representative: Ma, Meng-Ming	12	0	100%	Successive June 18, 2012 Re-election
Director	Yuei-yei Kai Fa Investment Ltd. Representative: Tseng, Chun-Ming	11	0	91.67%	Successive June 18, 2012 Re-election
Director	Shi Da Investment Limited Representative: Ko, Tsung-Yuan	9	0	75%	New June 18, 2012 Re-election

Important notice

I. If there is any particular specified in Article 14-3 of the Securities and ExChanges Act or adverse opinions from the Independent Directors or qualified opinions with minutes on record or written declaration on resolutions of the Board: None.

II. The avoidance of the conflict of interest by Directors: No related motions.

III. An evaluation on the goal of improving the functions of the Board in the current year and the most recent year (such as forming an audit committee and improving information transparency) and its implementation: See below

(1) Targets for improving the competency of the Board of Directors

a. The Board of our company formed the Remuneration Committee in December 2011 and elected the second term of the members of the remuneration committee in June 2012. Mr. Yang Cheng-Li was reelected as the chairman of the Remuneration Committee of the second term. Major authorities of the Remuneration Committee are:

* Regularly evaluate and advise on the policy, system, standards and structure of the annual and long-term performance targets and remuneration of Gigabyte directors, supervisors and executives.
* Evaluate and advise on the meeting of performance targets by Gigabyte directors, supervisors and executives as well as the content and amount of individual remuneration.

b. The Gigabyte Board formulated the "Internal Disclosure" in October, 2011.

(2) Evaluation of execution

* The Remuneration Committee is functioning well.
* Gigabyte's disclosure of important information follows a principle of honesty and integrity. Disclosure has been accurate, timely and fair.

Note 1: For institutional directors, disclose the names and the names of their representatives.

Note 2: (1) If directors leave their positions before the end of the year, the service termination day should be stated in the remarks section. The actual attendance rate (%) is calculated with the number of times the Board meets when they are on the Board and the actual number of times that member attends.

(2) Before the end of the year, if there is an election of the Board, the names of new and old directors should both be filled out, and whether a director is old, new, or re-elected should be filled out in the remarks section in the remarks section, as should the re-election date. The actual attendance rate (%) is calculated with the number of times the Board meets when they are on the Board and the actual number of times that member attends.

(II) The operation of Review Committee or supervisors' involvement in Board Meetings

1. The operation of Review Committee:Not applicable.
2. The resent year of BOD meeting 12 times (A), the attendance of supervisors is as follows

Title	Name (Note 1)	Actual attending (B)	Ratio of actual attending (%) [B/A] (Note 2)	Remark
Successive	Pan, Chi-Hsiu	0	0%	Successive June 18, 2012 Re-election
Successive	Wang, Hui-Min	8	66.67%	Successive June 18,2 012 Re-election
Supervisor	Xi Wei Investment Co., Ltd. Representative: Chen, Hui-Chou	11	91.67%	New June 18, 2012 Re-election

Other matters that should be documented:

I. supervisors and their responsibilities:

(I) between supervisors and employees and shareholders' communication (eg communication Chennels, methods, etc.): Supervisors and employees may deem necessary Shareholders direct contact for talks.

(II) supervisors and internal auditors and CPAs (eg, financial, business conditions to communicate matters, Methods and results, etc.):

1. audit manager in the month of completion of the audit project supervisors reported to the audit report, supervisors had no objections.
2. audit officer of the Board of Directors regularly attend and make auditing business reports, supervisors had no objections.
3. supervisors regularly on a quarterly basis with the accountant and written by way of face to face communication and financial condition.

II. Supervisors attended the Board meeting and voiced their opinions: None.

Note 1: If the supervisor is a corporation, the name and the representative's name of the corporate shareholder should be disclosed.

Note 2: (1) If a supervisor leaves the position before the end of the year, the date of terminating the position should be noted in the remarks section. The actual attendance rate (%) is calculated with the number of times of actual attendance when that supervisor held the position.

(2) The end of the year a few days ago, if directors and supervisors re-election who should be old Directors to monitor the per capita to be fill by the director to monitor human old any new or re-election and reelection date, and in the remarks column.The actual attendance rate (%) (column) is its service during the Board meeting number and the actual number of (column) I calculated.

(III) The Status of Corporate Governance to be enforced by listed companies, the variations and the causes of variations

Indicator	Status			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
1. Has the Company defined and disclosed its corporate governance best practice principles in accordance with the "Corporate Governance Best-Practice Principles for TWSE/GTSM-Listed Companies"?	✓		Our Company has defined explicit regulations that encompass the content of the corporate governance principles that were subsequently passed the BOD. Their contents conform to the spirit of the Corporate Governance Best-Practice Principles. Further regulations can be defined to satisfy statutory or actual requirements.	Conforms to the Corporate Governance Best-practice Principles
2. Structure of shareholdings and shareholder's equity (1) Does the Company have and enforce internal procedures for handling shareholder suggestions, questions, disputes and litigation? (2) Does the Company keep an effective list of its dominant shareholders and the parties with ultimate control over its dominant shareholders? (3) Has the Company established and enforced a risk control mechanism and firewall between its affiliates? (4) Does the Company have internal rules in place to prevent insider trading?	✓		(1) Our PR Office and Investor Services personnel are assigned to handle shareholder suggestions or disputes. (2) Our Investor Services personnel work closely with the "Transfer Agency Department of ChinaTrust Securities" to effectively track the list of dominant shareholders and the parties with ultimate control over the dominant shareholders. (3) Our Company has defined regulations for "Supervision and Management of Subsidiaries" and "Management of Transactions with Group Companies, Designated Companies and Stakeholders". These establish an appropriate risk control mechanism and firewall between affiliates. (4) The BOD passed the "Internal Procedure for Major Disclosure" in October, 2011, to establish an appropriate risk control mehanism.	Conforms to the Corporate Governance Best-practice Principles
3. The Organization and functions of the board of directors (1) Is there a defined diversification policy for the Board membership and is it enforced? (2) In addition to the Remuneration Committee and Audit Committee required by law, has the Company voluntarily established any other functional committees?	✓		(1) Our Company plans to elect 3 independent directors at the general shareholders' meeting on June 17, 2015. (2) Our Company had previously established a Remuneration Committee on December 15, 2011; an Audit Committee will be established once the independent directors have been elected at the	Conforms to the Corporate Governance Best-practice Principles

Indicator	Status			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
(3) Does the Company have a defined method for evaluating Board performance with annual performance evaluations conducted every year? (4) Does the Company regularly evaluate the independence of the public auditors?			2015 general shareholders' meeting. (3) Our Company has defined the "Board of Director Management Rules" to manage the running of the Board. (4) Our Board regularly evaluates the independence of the public auditors.	
4. Has the Company established channels for stakeholder communication, set up a Stakeholder section in the corporate website, and responded appropriately to important CSR issues material to shareholders?	✓		Our Company has a spokesperson system in place for communication with shareholders. The Stakeholder section on the corporate website is expected to be completed by the end of 2015 to respond appropriately to important CSR issues material to stakeholders.	Conforms to the Corporate Governance Best-practice Principles
5. Has the Company appointed a transfer agency for organizing shareholder meetings?	✓		Our Company has appointed the "Transfer Agency Department of ChinaTrust Securities" as the organizer of shareholder meetings.	Conforms to the Corporate Governance Best-practice Principles
6. Disclosed information (1) Has the Company set up a website to disclose its financial information and the status of corporate governance. (2) Are there other means for the Company on disclosure (such as English website, designated personnel to gather and disclose relevant information on the Company, effective implementation of the spokesperson system, and the online broadcast of institutional investor conferences)?	✓		Our corporate website **http://www.gigabyte.com/index.aspx** is available in Chinese and English. It provides timely disclosure of company information including company profile, investor relations, CSR, products, services and current events for shareholders and consumers.	Conforms to the Corporate Governance Best-practice Principles
7. Are there any other important information that will help with understanding corporate governance practices at the Company (including but not limited to employee rights, employee care, supplier relations, stakeholder rights, continuing education for directors and	✓		(1) Employee rights and employee care: Incentive schemes/ company facilities/company Organization and Services/Talent development (2) Investor relations: The Gigabyte website provides a disclosure platform that investors can access for	Conforms to the Corporate Governance Best-practice Principles

Indicator	Status			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
supervisors, the implementation of risk management policy and risk measurement measures, the implementation of customer policy, and the purchase of liability insurance for directors and supervisors)?			financial information/ corporate governance / shareholder meeting/ shareholder services. (3) Supplier relations: Gigabyte received AEO certification as a quality enterprise in February, 2012. We have signed the Declaration of Supply Chain Safety with our suppliers and use external audits of suppliers to ensure conformity. (4) Stakeholder rights: Our Company has avoided conflicts of interest with stakeholders in accordance with the law. (5) Directors and supervisors learning situation: None, but legal education is conducted at different times. (6) Risk management policy: Gigabyte has risk management policies in place for inventory, equipment, buildings and receivables. We are also insured against any potential losses. (7) Liability insurance for directors and supervisors: Liability insurance has been purchased for all directors and supervisors by the Company.	
8. Does the Company conduct internal CSR evaluations or outsource the evaluation to an external professional body? (If yes, please describe its opinion of the Board, the results of the internal or external evaluation, key deficiencies or recommendations, and the status of improvements)	✓		(1) The indicators for the four main dimensions of shareholder rights, internal control and audit systems, business strategy, stakeholders and CSR all met corporate governance standards. (2) For the competency of the Board of Directors, a Remuneration Committee was established on December 15, 2011, and an Audit Committee will be set up after independent directors are elected at the 2015 general shareholders' meeting. All other indicators met corporate governance standards. (3) The indicators for timeliness of disclosure all met corporate governance standards.	Conforms to the Corporate Governance Best-practice Principles

IV) Composition, Duties, and Operations of the Remuneration Committee:

The Company's Board established a Compensation Committee in December 2011 and elected the second term of the Compensation Committee members in June 2012. Mr. Yang Cheng-Li was consecutively elected to a second term of the chairman of the compensation committee.

1. Information on the members of the Compensation Committee

Identity Category (Note 1)	Qualification / Name	Have more than 5 years of experience and the following professional qualifications			Status of independence (Note 2)								As independ-ent director to other IPO company-ies	Remark (Note 3)
		Lecturer of the above in commerce, law, finance, accounting or subjects required by the business of the Company in public or private colleges or universities	Passed the qualification examination with proper licensing by the national government as court judge, prosecutor, lawyers, certified public accountant or other professional designations required by the business of the Company	Commerce, law, finance or as required by the Company	1	2	3	4	5	6	7	8		
Other	Yang, Cheng-Li			✓	✓	✓	✓	✓	✓	✓	✓	✓	None	Successive June 18, 2012 Re-election
Other	Cai, Zheng-Zhe			✓	✓	✓	✓	✓	✓	✓	✓	✓	None	Successive June 18, 2012 Re-election
Other	Wu, Jie-Xin			✓	✓	✓	✓	✓	✓	✓	✓	✓	None	Successive June 18, 2012 Re-election

Note 1: Please fill out Department of directors, independent directors or other

Note 2: Respective director and supervisor who meet the following qualifications 2 years before assumption of office or at the time of assumption office shall put a "✓" in the appropriate space.

(1) Not an employee of a bank or its affiliates.

(2) Not a director or supervisor of a bank or its affiliates (excluding the capacity of independent director to a subsidiary directly or indirectly held by the bank or the bank and its parent with more than 50% of the stakes).

(3) Not a natural person itself, spouse, underage children, or under the title of a third party who holds more than 1% of the outstanding shares issued by the bank or among the top 10 natural person shareholders.

(4) Not a spouse, kindred at the second tier under the Civil Code, or the next of kin within the fifth tier under the Civil Code as specified in (1) through (3).

(5) Not a director, supervisor or employee of an institutional shareholder who holds more than 5% of the outstanding shares issued by the bank, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders.

(6) Not a director, supervisor, manager or shareholder holding more than 5% of the outstanding shares of a specific company or institution in business or financial relation with the bank.

(7) Not a professional, owner, partner, director, supervisor, manager of proprietorship, partnership, company or institution that provide business, legal, financial and accounting services to the bank or a spouse to the aforementioned persons.

(8) Not under any of the categories stated in Article 30 of the Company Act.

Note 3: If the member is a director of the board, explanation must be given as to whether the member's status is in compliance with Article 6, part 5 of "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock ExChange or Traded Over the Counter."

2. The powers and jurisdiction of the Compensation Committee

* On a regular basis, evaluate and recommend on the Company's policies, institutions, standards, and structure of the annual and long-term performance targets and compensation for directors, supervisors, and managers.
* Evaluate and recommend on the level of performance of the Company's directors, supervisors, and managers, and the nature and amount of their compensation

3. The Function of the Compensation Committee

(1) The Company's Compensation Committee consists of three members.

(2) The duration of this term: June 18, 2012 to June 17, 2015. In the most recent year, the Compensation Committee met four times (A). The attendance record is as follows

Title	Name	Actual attending B	Authorized attending	Ratio of actual attending (%) [B/A] (Note)	Remark
Convener	Yang, Cheng-Li	4	0	100%	Successive June 18, 2012 Re-election
Committee	Cai, Zheng-Zhe	4	0	100%	Successive June 18, 2012 Re-election
Committee	Wu, Jie-Xin	4	0	100%	Successive June 18, 2012 Re-election
Other matters that should be documented: I. Recommendations of the Compensation Committee rejected or modified by the Board: None II. Resolutions of the Compensation Committee that met opposition or reservation from members and have been documented: None.					

Note: (1) Before the end of the year, if a member of the compensation committee leaves his position, his termination date should be noted in the remarks section. The actual attendance percentage is calculated according to the number of meetings and actual attendance during the term of the committee.

(2) Before the end of the year, if there is a re-election of the Compensation Committee, the former and current committee members should both be listed. In the remarks section, whether a member is newly elected or reelected should be noted, along with the election date. The actual attendance percentage is calculated according to the number of meetings and actual attendance during the term of the committee.

(V) Fulfillment of CSR (the system and measures adopted by the Company for environmental protection, community participation, social contribution, social service, social welfare, consumer rights, human rights, safety & health and other CSR activities as well as their execution):

1. The Gigabye CSR policy is centered on the humanities. We strive to improve the efficiency of our energy and resource use, eliminate hazardous substances, make zero waste and emissions our goal, while also implementing clean production and strengthening sustainable supply chain management. We are continuing to push for sustainable development based on the highest ethical standards and guidelines. These include the development of low-carbon technology and green products with the goal of becoming a green brand. All employees are encouraged to embrace "technological innovation and reliable quality" in caring for the environment and ecology to achieve symbiosis with planet Earth.
2. As our company endeavors in implementing ISO qualification, we have obtained ISO 14001, OHSAS 18001 and IECQ QC 080000 RoHS qualification. At the same time, in order to move forward to high quality and high standard, we have also complied with environmental safety policy, in the hope to show the public the best of us during the process of improvement.
3. Helping customers and consumers to "Upgrade Your Life" has been our commitment. The Gigabyte Group strives in innovation and best services, and focuses on research and development of the crucial technology, innovation of product design and strengthens quality services. With products that are exquisite, outstanding and out-of-expectation, Gigabyte hopes to become an energetic, competitive and super-valued world class brand and further create better future for the world.
4. Our Company is devoted to the development of low-carbon technology and has established a carbon emission reduction target. The basis for the Taiwan area is the emission for the year 2007. By 2015, the Company should reduce at least 20% of the emission from internal activities. The basis for Mainland China area is year 2009. By 2015, the Company should reduce at least 15% of the emission from internal activities. The whole group's basis is the emission for year 2009. By 2020, the Company should reduce 20% of carbon emission from internal activities. In 2012, Gigabyte Group's greenhouse gas emission was 34,391.74 metric tons, a reduction of 14,565.40 metric tons, or 29.75%, from the baseline 48,957.14 metric tons recorded in 2009. We have reached our greenhouse gas reduction target set for year 2020. Therefore, the Company set a new goal in 2013, which is "Reducing 50% of group-wide carbon emission from internal activities by 2020 from the level of 2009." In the future, the Gigabyte Group will continue to reduce our carbon emission and contribute to the earth, which is home to us all.
5. Our Company is striving to develop low-carbon technology and specific carbon reduction targets were set in 2010. For the Taiwan region, we aim to reduce emissions from internal activities in 2015 by 20% compared to the baseline year of 2007; in China, we aim to reduce emissions from internal activities in 2015 by 15% compared to the baseline year of 2009; the Group as a whole aims to reduce carbon emissions from internal activities in 2020 by 20% compared to the baseline year of 2009. In 2013, Gigabyte Group's GHG emissions from internal activities amounted to 32,554.65 tons, down 16,402.49 tons (33.5%) from the 48,957.14 tons of the baseline year. The 2020 target was therefore realized well before the original target date. The target was therefore adjusted in 2013 to become "Reducing carbon emissions from the Group's internal activities by 40% by 2020 compared to the baseline year of 2009". The Gigabyte Group will continue to reduce its carbon emissions in the future to do its part for our home planet.

CSR Implementation:

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
1. Implementation of corporate governance (1) Is there a defined corporate social responsibility policy or system in place, and reviews on the effectiveness of their implementation? (2) Does the Company organize regular CSR training? (3) Has the Company established a dedicated (concurrent) department for the implementation of corporate social responsibility? Does the top management have authorization from the Board to handle CSR matter and report on its implementation? (4) Does the Company have a reasonable remuneration policy, the employee performance valuation is integrated with the CSR policy, and a clear and effective system of rewards and penalties is in place?	√		(1) Our Company has drafted a corporate social responsibility policy and guideline, which can be referenced in the corporate sustainable development report. (http://csr.gigabyte.tw/) (2) Our Company introduces sustainability training during "New Employee Training". A number of workshops on energy-saving, carbon reduction, sustainable corporate development and bio-diversity conservation are also held every year to enhance the CSR awareness and knowledge of employees. (3) Our Company has established a “Gigabyte Green Sustainability Development Committee” headed by the executive president for promoting corporate social responsibility policies. Monthly meetings are held to review results and conduct improvements. Progress is reported to three Board directors each week. (4) Our Company has established a "Remuneration Committee" to regularly evaluate and make recommendations on our company's annual and long-term performance targets as well as remuneration policy, systems, standards and structure; an “Employee Ethical Conduct Guideline" has also been drafted. Apart from requiring all employees to sign an agreement to abide by the guideline, the Company also	Where regulatory requirements or actualities must be taken into consideration, the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies and other related laws and regulations shall apply.

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
			communicates this guideline to our suppliers at supplier meetings that happen from time to time. Additionally, the Company incorporates the learning outcome of related training into employee evaluation, with a hope of achieving effective reward and punishment.	
2. Development of sustainable environment (1) Is the Company dedicated to improving the utilization efficiency of resources and use of recycled materials that have low impact on the environment? (2) Has the Company established a suitable environmental management system based on the features of the industry? (3) Does the Company pay attention the influence of Climate Change on the operation of the Company, conduct GHG inventories, and has it drafted a policy for energy conservation, carbon reduction and GHG reduction?	√		(1) Our Company is committed to implementing factory waste reduction and recycling in order to preserve resources on earth and public health. In 2014, the Company reduced electricity usage by 10,570.55 kwh, water usage by 393.59 million metric tons and waste by 597.90 tons from the 2010 levels. Our Company's employee cafeteria provides metal tableware to reduce waste. (2) The Company passed ISO 14001 environmental management system certification in 2003. Up to now, the Company enforces control with PDCA regulations. (3) Our Company is devoted to the development of low-carbon technology and has established a carbon emission reduction target. The basis for the Taiwan area is the emission for year 2007. By 2015, the Company should reduce at least 20% of the emission from internal activities. The basis for the Mainland China area is year 2009. By 2015, the Company should reduce at least 15% of the emission from internal activities. The whole group's basis is the emission for year 2009. By 2020, the Company should reduce 20% of carbon emission from	Conforms to the Corporate Governance Best-Practice Principles.

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
			internal activities. In 2013, Gigabyte Group's GHG emissions amounted to 32,554.65 metric tons, a reduction of 16,402.49 metric tons, or 33.5%, from the baseline 48,957.14 metric tons recorded in 2009. We have reached our GHG reduction target set for year 2020. Therefore, the Company set a new goal in 2013, which is "40% reduction in Group-wide GHG emission from internal activities by 2020 from the level of 2009." In the future, the Gigabyte Group will continue to reduce our carbon emission and contribute to the earth, which is home to us all.	
3. Protection of social welfare (1) Has the Company drafted management policies and procedures in accordance with the relevant laws and international conventions on human rights? (2) Has the Company established employee grievance mechanisms and channels? Are complaints handled properly? (3) Does the Company provide employees with a safe and healthy work environment? Do employees receive regular safety and health education? (4) Has the Company established a mechanism for regular employee communications and does it notify employees of changes that may have a major impact on operations in a reasonable manner? (5) Has the Company established an effective career development plan for employees? (6) Has the Company drafted consumer protection	√		(1) Gigabyte embraces the philosophy of "A happy workplace for better life". We believe that every employee should be treated equally and with respect. We strive to uphold and respect internationally recognized human rights (including the UN Declaration of Human Rights, and the International Labor Organization's core labor standards) such as freedom from discrimination and abuse, illegal employment, and promises to abide by the highest ethical standards in our compliance with local laws and the EICC (Electronic Industry Code of Conduct). We have therefore defined various management policies and procedures including the "Employee Code of Conduct", salary & benefits, training & development, attendance system, business travel management, labor safety and more.	Conforms to the Corporate Governance Best-Practice Principles

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
policies and a grievance mechanism based on its R&D, purchasing, production, operating and service processes? (7) Does the Company conform to the relevant international laws and standards on the marketing and labeling of products and services? (8) Does the Company evaluate the past environmental and social record of the suppliers it deals with? (9) Do the Company's contracts with its suppliers include clauses for immediately suspension or termination if the supplier violates its CSR policy, and has a significant impact on the environment and society?			(2) We operate employee forums, suggestion boxes, the chairman's mailbox and the CSR mailbox. Dedicated personnel are assigned to answer and process employee feedback to ensure smooth internal communications. (3) Gigabyte has passed ISO 14001 and OHSAS 18001 certification. Work environments are tested every 6 months to ensure the safety of the work environment. The Company also organized annual employee health exams, occupational safety and first aid training, as well as workshops on health topics conducted by experts to improve employee health awareness. (4) The Company conducts employer-employee communications through quarterly meetings. Performance evaluations are also conducted every 6 months, allowing managers and employees to review their performance and discuss any problems at work. All Company operations are in sound form with no major changes (5) Our employees are assigned to positions that suit their personal interests so they can develop in the most suitable manner. New employees receive 1-day of orientation training as well as other internal or external specialist training based on their job requirements. Managers also take part in the "Groups Consensus Conference" and management competency courses every year so they can continue to strengthen their	

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
			professional know-how and make the Company more competitive. These include: management competency, core competency, foreign languages, external training, the e-learning system and library. (6) Our Company follows a consumer-oriented business philosophy that starts with product development. The ultra-durable motherboards and display cards all use the best quality materials to guarantee product performance and stability over time; we offer 4-year warranty on all motherboards and have established a comprehensive worldwide service network to provide fast and supportive after-sales service. Consumers can give their feedback via e-mail or telephone, and there are dedicated departments in Taiwan, China and overseas for handling consumer product inquiries and complaints. (7) Our Company has defined standard guidelines and rules governing our Corporate Identity (CI). All materials that make use of CI must be inspected by the responsible units whether they were produced internally or externally before being approved for distribution. The marketing and labeling for all products and services conform to the principle of honesty and disclosure as well as the relevant laws and international rules. This gives consumers a full understanding of our company's products and services.	

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
			(8) We consider our suppliers to be our long-term partners in the building of a stable sustainable supply chain. Gigabyte Group requires Tier 1 suppliers to set up an environmental management system and all Tier-1 suppliers conform to Gigabyte's Eco Product Requirement as well as other international regulations such as the EU RoHS and REACH directives. The CSR dimension is also included in supplier evaluations to encourage them to respect internationally recognized human rights and care about environmental protection issues in order to minimize the environmental and social impact throughout the product lifecycle. Together, we work to build a sustainable supply chain and fulfill our CSR. (9) This clause is not explicitly included in our current supplier contracts but if a supplier is in violation of its CSR policy with significant environmental and social impacts, their rating will be reduced during routine supplier evaluations, resulting in less transactions or even switching to another supplier.	
4. Greater information disclosure (1) Does the Company disclose relevant and reliable CSR-related information on its website and the Market Observation Post System website?	√		(1) Our Company publishes a CSR report on a regular basis. We also disclose our progress on CSR promotion and sustainable development on the CSR website and Market Observation Post System website at different times.	Conforms to the Corporate Governance Best-Practice Principles.

Indicator	Implementation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
5. If the Company has drafted its own corporate social responsibility guidelines according to "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies," the Company should clarify the difference between its operation and the codified principle: Our Company has already codified the corporate social responsibility policies in our corporate sustainable development report. In order to perform our duty as a corporate citizen and demonstrate our commitment to employees, shareholders, the government, customers, suppliers, communities and non-profit organizations, we strive to improve the efficiency of our energy and resource use, eliminate hazardous substances, produce zero waste and emissions as our goal, while also implementing clean production and strengthening sustainable supply chain management. We are continuing to push for sustainable development based on the highest ethical standards and guidelines. These include the development of low-carbon technology and green products with the goal of becoming a green brand. All employees are encouraged to embrace "technological innovation and reliable quality" in caring for the environment and ecology to achieve symbiosis with planet Earth. We therefore already conform to the requirements of the "CSR Best-Practice Principles for TWSE/GTSM-Listed Companies".				
6. Other pertinent Information that helps the general public understand CSR operations: (1) Our Company has embraced the philosphy "Caring for Society and Sustainable Development". Apart from talent develoption, adoption of streets and green spaces, planting of native trees, participating in community building initiatives, the "Gigabyte Educational Foundation" also promotes technology education, innovation, arts & culture and caring for minority groups to fulfill our CSR philosphy and encourage employees to participate in charity and social services. In this way, we can make the communities we operate in a better place through the involvement of Gigabyte employees. (2) Our Company strives to provide a comprehensive range of measures for balancing work and play as well as building a good, safe and harmonious work environment. In 2013, the "G-HOME Sustainable Eco-Rooftop" was set up at the top of our operational headquarters to provide employees, retired employees and their families with a place to relax and stretch out. This creates a Gigabyte eco-lifestyle that combines work, life and leisure. (3) The "Green Vibe Project" was launched in 2009 to promote environmental protection, energy-saving and carbon reduction, and sustainable development topics through environmental education and protecting the Earth's sustainability. (4) Apart from following the highest ethical standards in conforming to local laws and the Electronic Industry Code of Conduct (EICC), our company also sets conditions on environmental protection, safety, health, labor rights and working conditions for our suppliers to follow. (5) In 2014 we received CommonWealth's Top 18 Corporate CItizenship Aaward the TCSA Climate Leadership Award and a distinction in the New Taipei City Environmental Education Awards.				
7. If the Company's products or the Corporate Social Responsibility Report have been certified by authoritative certification agencies, the certification should be disclosed: Our Corporate Sustainable Development Report was prepared in accordance with the Global Reporting Initiative (GRI) G4 Guidelines' Core Options. Our Company's commitment, strategy and the results of our management policy was disclosed in accordance with ISO 26000 and the UN Global Compact. The financial data disclosed in this report are publicly available through our audited annual reports. The organizational GHG inventory and reduction data, ISO 14001 and OHSAS 18001 were all certified by SGS Taiwan. The indicators encompass our Xindian headquarters, Taoyuan Nanping plant, China Ningbo plant and China Dongguan plant as detailed in the report.				

(VI) Our Company's implementation of ethical corporate management

1. Our Company's management upholds our belief in prudent, sustainable management and accountability and has drafted management policies based on ethical practice. Our management is in compliance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies.

2. <u>Implementation of Ethical Practice:</u>

Indicator	Operation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
1. Codify Ethical Management Policies and Plans (1) Does the Company demonstrate its ethical management policies in its regulations and documents communicating with external parties, and do the Board and management actively fulfill their commitments through business policy? (2) Does the Company have safeguards against unethical behavior in place including clear procedures, code of conduct, penalties for violations and a grievance mechanism? Are these enforced? (3) Does the Company have safeguards against business activities identified as being at higher risk of unethical behavior in "Article 7 Paragraph 2 or other sections" of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"?	√		The management follows ethical management principles and has codified policies based on ethics, ensuring that the Board, supervisors, and employees abide by the Company Act, Securities and ExChange Act, Business Entity Accounting Act, laws that pertain to publicly traded companies, and other laws that govern business transaction, while discharging their duties.	In compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"
2. Implementing ethical management (1) Does the Company evaluate the ethical record of its transaction parties and explicitly include clauses on ethical behavior in contracts? (2) Does the Company have a dedicated corporate ethics unit that is overseen and regularly reports to the Board of Directors? (3) Does the Company have a conflict-of-interest prevention policy with suitable channels for reporting	√		(1) Our Company maintains a registry of all vendors we deal with. For key suppliers and customers we also inspect their credit profile to avoid losses due to breaches of contract. (2) Our Company does not yet have a dedicated (concurrent) unit for promoting ethical corporate management. This is currently performed by each department to the best of	In compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"

Indicator	Operation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
such conflicts, and enforces such a policy? (4) Does the Company have an effective accounting system and internal control system for ensuring ethical management that is regularly audited by an internal audit unit or public auditor? (5) Does the Company regularly host internal and external training on ethical management?			their ability. (3) Our Company expects to set up a Stakeholder section on our website by the end of 2015 for responding to important CSR issues material to our stakeholders. (4) Our Company's accounting system and internal control system both conform to the spirit of ethical management. Internal auditors also carry out audits in accordance with the law. (5) Our Company does not regularly host internal and external training on ethical management. Related courses will be organized as necessary in the future.	
3. Operation of the corporate whistleblower system (1) Does the Company have an explicit whistleblower and incentive scheme in place that protects whistleblowers and assigns appropriate personnel for investigating the target of the whistleblower complaint? (2) Does the Company have a standard operating procedure for investigating whistleblower complaints and the related mechanism for ensuring confidentiality? (3) Does the Company have measures to protect whistleblowers against retaliation?	√		(1) If any company personnel harms the Company's interests by violating the Company regulations or ethical principles, employees can report this through the proper channels to their direct manager, the internal audit manager or administrative unit. Disciplinary action will be taken by the decision-maker or Human Resources unit based on the severity of the offense. (2) Handled in accordance with the relevant HR management regulations. (3) Once a complaint is received by the head of the relevant unit, it is treated confidentially to protect the background of the whistleblower and the provided information.	In compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"

Indicator	Operation			Variation from Corporate Governance Best Practice Principles, and Reason
	Yes	No	Summary	
4. Greater disclosure (1) Does the Company disclose is ethical management principles and progress on its promotion through its website or the Market Observation Post System website?	√		We have a corporate website on which we disclose any information we have related to ethical management.	In compliance with "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies"
5. If the Company has drafted an ethical management principle according to "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies," the operation of the principle and the deviation from the principle should be clearly stated: Our Company has not drafted our own ethical management principles. If required by law or necessity, we will refer to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies" and the relevant laws.				
6. Other material information that helps to understand the operation of the Company's ethical management (such as the Company's declaration of its resolve and policies to its business partners; the Company's invitation of training to its partners; and the Company's revision of its ethical management principles): None				

(VII) If the Company has codified corporate governance guidelines and applicable regulations, the Company should disclose the method by which such regulations can be accessed. If the Company has not yet codified corporate governance guidelines but there is a need for such regulations due to legal reasons or actual situations, the Company should follow "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and applicable laws.

(VIII) Other important information that is helpful for understanding the implementation status of corporate Governance may be disclosed together: None.

(IX) Status of Enforcement of Internal Control System:

1. Statement of Internal Control

Gigabyte Technology Co., Ltd.

Statement of Internal Control

Date: March 16, 2015

Gigabyte Technology Co., Ltd. has conducted an internal audit in accordance with its Internal Control Regulation covering the period from January 1 to December 31, 2014 and hereby declares as follows:

I. The Company acknowledges and understands that, the establishment, enforcement and preservation of internal control system is the responsibility of the Board and the managers, and that the Company has already established such system. The purpose is to reasonably ensure the effect and efficiency of operation (including profitability, performance and security of assets), the reliability of financial reporting and the compliance with relevant legal rules

II. There is limitation inherent to an internal control system, no matter how perfect the design. As such, effective internal control system may only reasonably ensure the achievement of the aforementioned goals. Further, the operation environment and situation may vary, and hence the effectiveness of the internal controls system. The internal control system of the Company features a self-monitoring meChenism. Once identified, any shortcoming will be corrected immediately.

III. The Company judges the effectiveness of the internal control system in design and enforcement in accordance with the "Criteria for the Establishment of Internal Control System of Public Offering Companies" (hereinafter referred to as "the Criteria"). The Criteria is instituted for judging the effectiveness of the design and enforcement of the internal control system. There are five components of effective internal control as specified in the Criteria with which the procedure for effective internal control are composed by five elements, namely, 1.control environment, 2. Risk Evaluation and feedback, 3. Control Operation, 4. Information and Communication, and 5. Monitoring. Each of the elements in turn contains certain audit items, and shall be referred to the Criteria for details.

IV. The Company has adopted the aforementioned internal control system for internal audit on the effectiveness of the design and enforcement of the internal control system

V. Based on the aforementioned audit findings, the Company holds that it has reasonably preserved the achievement of the aforementioned goals at December 31, 2014 (including the monitoring over the subsidiaries), including the effectiveness and efficiency in operation, reliability in financial reporting and compliance with relevant legal rules, and that the design and enforcement of internal control are effective.

VI. This statement of declaration shall form an integral part of the annual report and prospectus on the Company and will be announced. If there is any fraud, concealment and unlawful practice discovered in the content of the aforementioned information, the Company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and ExChanges Act.

VII. This statement of declaration has been approved unanimously by the Board in a session held on March 16, 2015 with the presence of four directors.

Gigabyte Technology Co., Ltd.

Chairman: Yeh, Pei-Chen

President: Liu, Ming-Hsiung

Note 1: For public companies, when there is a shortage in the design or implementation of the internal control system in any period of the year, companies should state and explain the shortage they noted in the 4th item in Statement of Internal Control by adding an explanatory paragraph and also state the plans and execution status before balance sheet date.

Note 2: The date of the statement will be the "the day the fiscal year ends".

2. Where the Company may be requested to conduct an audit on its internal control system by external auditors, is there any audit report for disclosure: None.

(X) Any personnel of the Company sentenced by law, punished by internal regulation due to violation of internal control system, major shortcomings and status of corrective action in the most recent year to the day this report was printed: None.

(XI) Important resolutions at the shareholders' meeting and the meeting of Board of Directors in recent years and in the current year (till printing of the annual report):

1. Significant Resolutions from Shareholders' General Meeting and Their Implementation

Date	Significant Agenda	Implementation
2014.06.11	Recognize our Company's business report and financial statements from 2013.	Approved.
	Recognize our Company's earnings distribution for 2013.	Approved. 2014.7.20 has been ratified as the stock dividend distribution date, and the cash dividend has been distributed on 2014.8.8
	Discussing the revision of our Company's internal regulations: 1. Our Company's "Articles of Incorporation" 2. Our Company's "Procedures for Endorsements and Guarantees" 3. Our Company's operating and management procedures for the acquisition or disposal of assets 4. Our Company's "Procedures for Trading in Derivative Products" 5. Our Company's Regulations Governing Procedure for Shareholders' Meetings.	Approved. The agenda has been carried out as resolved in the shareholders' meeting.

2. Significant Resolutions from the Board of Directors Meeting

Date	Significant Resolutions
2014.01.15	Ratification of the date for the increase of paid-in capital for the conversion of the Company's "First Batch of Employee Stock Option Issued in 2007" into common stock.
	Our Company's 2013 budget.
2014.02.17	Ratification on General Jack Technology Ltd.'s purchase of the shares in Gigazone Holdings Limited held by Gigazone.
2014.03.17	Ratification on guaranteeing the credit of the Cloud Ride Limited subsidiary.
	Ratification of the date, location, reports, and agenda to be approved for the 2014 shareholders' general meetings.

Date	Significant Resolutions
	Ratification of the Company's entity and consolidated 2014 financial statements.
	Revision of our Company's "Procedures for Loaning Funds to Other Parties."
	Revision of our Company's "Procedures for Endorsements and Guarantees."
	Revision of our Company's "Procedures for Trading in Derivative Products."
	2013 Internal Control Statement.
2014.04.15	Revision of our Company's "Articles of Incorporation".
	Ratification of our Company's 2013 earnings distribution.
	Ratification of the date for the increase of paid-in capital for the conversion of the Company's "First Batch of Employee Stock Option Issued in 2007" into common stock.
	Ratification of loan application to the Industrial Bank of Taiwan.
2014.05.15	Ratification on Giga Advance (Labuan) Limited, an overseas subsidiary, extending its credit facilities with Citibank Taiwan).
	Ratification of proposal for Ningbo ZhongJia Technology & Trading Co. to engage in long-term foreign currency hedging (DF).
	Ratification of proposal for Ningbo ZhongJia Technology Trading Co. to guarantee long-term foreign currency hedging (DF) by Shenzhen StrongJet and Shenzhen ProIto.
2014.06.16	Setting the basis date of our Company's earnings distribution for 2013.
2014.08.14	Ratification on continued loan transactions with CTBC.
	Ratification of stock transfer for the Giga Advance (Labuan) Limited subsidiary
	Ratification of financial loan from Ningbo ZhongJia Technology & Trading Co., a group subsidiary, to Shenzhen Gigazone.
2014.09.15	Ratification on continued credit facilities with Mega Bank Xindian Branch.
	Ratification of proposal by subsidiary Cloud Ride Limited to increase the credit guarantee provided by our company.
	Ratification of investment by subsidiary General Jack Technology Ltd. in Qsan Technology, Inc.
2014.10.15	Ratification of the date for the increase of paid-in capital for the conversion of the Company's "First Batch of Employee Stock Option Issued in 2007" into common stock.
	Resolved to continue loan transactions with Chang Hwa Commercial Bank Beixin Branch.
2014.11.14	Ratification on cash capitalization of U.S. subsidiary G.B.T. Inc.
	Ratification of our company's proposal to apply for credit facilities with HSBC (Taiwan)
	Drafted the "Gigabye Group Personal Information Management Regulations."
	2015 Audit Plan.
2014.12.15	Revised our company's "Internal Control System."

Date	Significant Resolutions
2015.01.15	Ratification of the date for the increase of paid-in capital for the conversion of the Company's "First Batch of Employee Stock Option Issued in 2007" into common stock.
	Ratification on our company's change of president
2015.03.16	Our Company's 2015 budget.
	Ratification of the date, location, reports, and agenda to be approved for the 2015 shareholders' general meetings.
	Ratification of the Company's entity and consolidated 2014 financial statements.
	Ratification of the proposed candidates for the Board of Directors elections (including independent directors)
	Revision of our Company's Articles of Incorporation.
	Revision of our Company's "Procedures for Loaning Funds to Other Parties."
	Revision of our Company's "Procedures for Endorsements and Guarantees."
	Revision of our Company's "Operating and Management Procedures for the Acquisition or Disposal of Assets."
	Revision of our company's "Procedures for Trading in Derivative Products."
	Revision of our Company's "Regulations Governing the Procedures of Board of Directors' Meeting".
	Revision of our Company's Regulations Governing the Election of Directors and Supervisors".
	Revision of our Company's "Regulations Governing the Procedures of Shareholders' Meeting".
	Revision of our company's "Internal Control System."
	2014 Internal Control Statement.
2015.04.15	Ratification of our Company's 2014 earnings distribution.
	Ratification of proposal for the Board of Directors to review the list of candidates for the Board (including independent directors).
	Ratification of the date for the increase of paid-in capital for the conversion of the Company's "First Batch of Employee Stock Option Issued in 2007" into common stock.
	Ratification of change of CPAs for certifying the Company's financial statements

(XII) Dissents from directors or supervisors on major resolutions of the Board that have been recorded or provided with written statement in the most recent year and up to the publication date of the annual report: None.

(XIII) Resignation or discharge of personnel relating to financial reporting in the most recent year to the day this report was printed: None.

IV.Information regarding auditing fee:

In NTD 1,000

Scale	Items	Auditing Fee	Non-audit fee	Total
1	Below NTD2,000			
2	NTD2,000-NTD4,000		✓	2,330
3	NTD4,000-NTD6,000			
4	NTD6,000-NTD8,000	✓		7,170
5	NTD8,000-NTD10,000			
6	More than NTD10,000			

Fees paid to CPAs

In NTD 1,000

CPAs firm	CPAs name	Auditing fee	Non-auditing fee					Audit Period	Note
			System design	Registration with industrial and commercial administration authorities	Human Resources	Other (Note 2)	TOTAL		
PWC Public Accountants	Xiao, Chun-Yuan	7,170		130		2,200	2,330	January 2014	Tax advisory consulting and Transfer pricing fees
	Lin, Se-Kai							Whole Year	

Note 1: Replace the current year if the Company accountant or firm shall be requested during the audit were presented and the reasons for the replacement in the remarks column shows, and order disclosure of audit and non-audit fees and other information.

Note 2: Non-auditing fee should be listed out separately according to type of services; the content of services should be listed out in NOTE if the "other" item in non-auditing fees exceeds 25% of the total non-auditing fee.

V.Information regarding replacement of CPAs: None.

VI.Service by Giga-Byte's chairman, president, managerial officers in charge of finance or accounting having served with the office(s) or affiliate(s) of the auditing CPAs: None.

VII. Transfer of and lien on shares by directors, supervisors, managers and shareholders holding more than 10% of the outstanding shares in the most recent year until the date this report is printed:

Title	Name	2014		Current year to April 19	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Chairman and CEO, Gigabyte	Yeh, Pei-Chen	0 (300,000)	0	0	0 (11,624,000)
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	0	0	0	0
Director	Yuei-yei Kai Fa Investment Ltd. Representative: Tseng, Chun-Ming	0	0	0	0
Director	Shih-Chia Investment Co., Ltd. corporate representative:Ma, Meng-Ming	0	0	0	0
Director	Shih Dah Investment Co., Ltd. corporate representative:Ko, Tsung-Yuan	0 (45,000)	0 (3,000,000)	0	12,289,000 0
Supervisor	Pan, Chi-Hsiu	0	0	0	0
Supervisor	Wang, Hui-Min	0	0	0	0
Supervisor	Xi Wei Investment Co., Ltd. corporate representative: Chen, Hui-Chou	0	0	0	0
Gigabyte Senior Vice President	Ma, Meng-Ming	0	0	0	0
Gigabyte Senior Vice President Manufacturing Business Unit	Chen, Chun-Ming	0	0	0	0
Gigabyte Senior Vice President Motherboard Business Unit	Lin, Huo-Yuan	0	0	0	0
Gigabyte Senior Vice President Operation Management Center CIO	Liu, Ming-Hsiung	2,000,000 0	0	0	0
Network and Communications Business Unit President	Lee, Yi-Tai	0 (42,000)	0	0	0

Title	Name	2014		Current year to April 19	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Manufacturing Business Unit President	Meng, Hsian-Ming	0	0	0	0
Motherboard Business Unit Senior Special Assistant	Hong, Wen-Chi	0	0	0	0
Group Resource Mgmt. Center	Lu, Zheng-Wei	0 (12,000)	0	0	0
Group Resource Management Center CIO	Bai, Guang-Hua	25,000 0	0	0 (8,000)	0
Motherboard Business Unit Service and Sales Marketing Center Vice President	Kao, Han-Yu	0	0	0	0
Operation Management Center Vice President and Special Assistant to the CEO	Chen,Jin-Ting	0 (3,000)	0	0	0
Motherboard Business Unit Vice President	Chen, Chen-Shun	0 (140,000)	0	0	0
Operation Management Center Finance Division CFO	Chen,Chun-Ying	0 (40,000)	0	0	0
Network and Communications Business Unit Network Platform Product Center Assistant Manager	Chen, Zhang-Xiang	0	0	0	0
CEO's Office Special Assistant to the President	Chen, Shi-Cheng	60,000 (64,000)	0	0	0
Motherboard Business Unit Service and Sales Marketing Center Senior Assistant Manager	Liao,Chi- Li	0	0	0	0

Title	Name	2014		Current year to April 19	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Motherboard Business Unit Service and Sales Marketing Center Senior Assistant Manager Russia Department	Hsiao,Wen-Ta	0	0	0	0
Motherboard Business Unit Service and Sales Marketing Center Senior Assistant Manager ASEAN Department	Liu,Wen- Chung	0	0	0	0
Motherboard BU Software Division	Deng, Yi-Ming	0 (50,000)	0	0	0
Motherboard BU Firmware Division 2	Tseng, Wei-Wen	0	0	0	0
MotherBoard BU Innovation and Creative Value Center Assistant Manager, Hardware Office 1	Liao, Che-Hsien	0 (15,000)	0	0	0
Network and Communications Business Unit Network Platform Product Center Senior Assistant Manager	Hou,Zhi-Ren	0	0	0	0
Mobility Product Business Center Software R&D	Lan, Jun-Kun	0	0	0	0
Network and Communications Business Unit Network Platform Product Center Assistant Manager	Chen, Yun-Di	0	0	0	0
Tech Lifestyle BU Assistant Manager	Jiang, Min-Chung (Note 1)	0	0	0	0

Title	Name	2014		Current year to April 19	
		Change in the quantity of shares held	Change in the quantity of shares under lien	Change in the quantity of shares held	Change in the quantity of shares under lien
Overseas Manufacturing Ningbo Gigabyte Assistant Manage	Ko,Wei-Ti	0	0	0	0
Operation Management Center Legal and IP Affairs Div. Assistant Manager	Chiu, Chih-Peng	0	0	0	0
Motherboard Business Unit China Department Assistant Manager	Lan, Shao-Wen	0	0	0	0
Manufacturing Business Unit Chief Engineering Division Assistant Manager	Sun, Wu-Hsiung	0	0	0	0
e-Sports Business Unit R&D Division Assistant Manager	Huang, Shun-Chih	0	0	0	0
e-Sports Business Unit Sales and Marketing Division Assistant Manager	Lin, Ying-Yu	0	0	0	0
Manufacturing Business Unit Dongguan Gigabyte Vice President	Yen, Cheng-Hsia (Note 2)	0 (117,000)	0	100,000 0	0

Note 1: Jiang, Min-Chung separated from the Company on 2015.04.24.
Note 2: Yen, Cheng-Hsia separated from the Company on 2015.4.8

Information on counterparties of share transfers or pledges who are related parties by directors, supervisors, managers, and shareholders owning more than 10% of shares outstanding: None.

VIII.Top ten shareholders and relationship between the shareholders

NAME(*1)	HAREHOLDINGS BY SELF-OWNED		SHAREHOLDINGS BY SPOUSE AND UNDERAGE CHILDREN		SHAREHOLDINGS UNDER THE TITLE OF A THIRD PARTY		TOP 10 OF SHAREHOLDERS TO CONFORM TO THE ROC STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 3		REMARK
	Shares	Ratio	Shares	Ratio	Shares	Ratio	Name	Relation-ship	
Liu, Ming-Hsiung	41,168,918	6.55%	4,592,370	0.73%			Ming Wei Investment Co., Ltd.	Director	
							Xi Wei Investment Co., Ltd.	Director	
Fubon Life Insurance Co.	30,000,000	4.77%							
Representative: Cheng, Pen-Yuan									
Yeh, Pei-Chen	28,531,237	4.54%	7,373,645	1.17%			Ming Wei Investment Co., Ltd.	Director	
							Xi Wei Investment Co., Ltd.	Director	
							Walsin Technology Corporation	Director	
Ma, Meng-Ming	23,620,024	3.76%	470,914	0.07%			Ming Wei Investment Co., Ltd.	Director	
							Xi Wei Investment Co., Ltd.	Director	
Shi Da Investment Limited	17,289,000	2.75%							
Representative: Yang, Ya-Ting	9,000	0.00%	165,197	0.03%					
Ming Wei Investment Co., Ltd.	14,062,200	2.24%					Liu, Ming-Hsiung	Director	
							Yeh, Pei-Chen	Director	
							Ma, Meng-Ming	Supervisor	
Representative: Yang, Xue-Qing	3,822,579	0.61%	41,938,709	6.67%			Ming Wei Investment Co., Ltd.	Director	
							Liu, Ming-Hsiung	Spouse	
Xi Wei Investment Co., Ltd.	9,063,075	1.44%					Liu, Ming-Hsiung	Director	
							Yeh, Pei-Chen	Director	
							Ma, Meng-Ming	Director	
Representative: Yeh, Pei-Chen	28,531,237	4.54%	7,373,645	1.17%			Ming Wei Investment Co., Ltd.	Director	
							Xi Wei Investment Co., Ltd.	Director	

NAME(*1)	HAREHOLDINGS BY SELF-OWNED		SHAREHOLDINGS BY SPOUSE AND UNDERAGE CHILDREN		SHAREHOLDINGS UNDER THE TITLE OF A THIRD PARTY		TOP 10 OF SHAREHOLDERS TO CONFORM TO THE ROC STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 3		REMARK
	Shares	Ratio	Shares	Ratio	Shares	Ratio	Name	Relation-ship	
							Walsin Technology Corporation	Director	
Walsin Technology Corporation	8,590,000	1.37%					Yeh, Pei-Chen	Director	
Representative: Jiao, You-Heng									
Labor Pension Fund (New Scheme)	8,350,000	1.33%							
Robeco Capital Growth Funds Investment Custody Account at HSBC	7,942,000	1.26%							

Note 1: All of the top ten shareholders should be listed. Names of the corporate shareholders and the representatives thereof should be listed separately.

Note 2: Ratio means the shareholding by self-owned, spouse and underage children, and the title of a third party as of total these three titles of shares.

Note 3: Relationship between shareholders listed above, including corporations and natural persons, should be disclosed.

IX. Companies directly or indirectly invested by the Company, the directors and supervisors of the Company, managers and the proportion and quantity of shareholdings on the same company

December 31, 2014/Unit: share; %

Invested companies	Invested by the Company		Invested by directors, supervisors, managers, or by direct or indirect subsidiaries		Total investment	
Item	Quantity of shares	Proportion of holdings	Quantity of shares	Proportion of holdings	Proportion of shares	Proportion of holdings
G.B.T., Inc.	54,116	48.63%	57,169	51.37%	111,285	100%
G.B.T. Technology Trading GmbH	0	100%	0	-	0	100%
Freedom International Group Ltd.	142,671,691.54	100%	0	-	142,671,691.54	100%
Charleston Investments Limited	0	-	57,032,141.68	100%	57,032,141.68	100%
Dongguan Gigabyte Electronics Co., Ltd.	0	-	0	100%	0	100%
GBT Tech. Co. Ltd.	800,000	100%	0	-	800,000	100%
Chi-Ga Investment Co., Ltd.	177,500,000	100%	0	-	177,500,000	100%
G.B.T. LBN Inc.	0	-	0	100%	0	100%
Gigatrend Technology Co., Ltd.	0	-	17,500,000	100%	17,500,000	100%
Giga Future Limited	0	-	82,819,550	100%	82,819,550	100%
Ningbo Gigabyte Co., Ltd.	0	-	0	100%	0	100%
Ningbo Best-Yield Repair and Maintenance Co., Ltd.	0	-	0	100%	0	100%
Ningbo Gigabyte International Trading Co.	0	-	0	100%	0	100%
Giga-Byte Technology B.V.	8,500	100%	0	-	8,500	100%
Gigabyte Technology France	0	-	20,000	100%	20,000	100%
Giga-Trend International Investment Group Ltd.	0	-	62,339,000	100%	62,339,000	100%
Ningbo Zhung Jia Technology Trading Co., Ltd.	0	-	0	100%	0	100%
Gigabyte Technology Pty. Ltd.	400,000	100%	0	-	400,000	100%
Aorus Pte. Ltd.	0	-	3,073,000	100%	3,073,000	100%
Chi-Ga Communications Co., Ltd.	34,578,228	99.12%	0	-	34,578,228	99.12%
Giga-Trend International Management Group	0	-	600,000	60%	600,000	60%
Giga Win Limited	0	-	100,000	100%	100,000	100%
Gigabyte Technology (India) Private Limited	4,600,000	100%	0	-	4,600,000	100%
G-Style	61,000,000	100%	0	-	61,000,000	100%
GIGAZONE Technology Co., Ltd.	9,142,702	100%	0	-	9,142,702	100%
Giga Advance (Labuan) Limited	0	-	10,000	100%	10,000	100%
Nippon Giga-Byte Corp.	1,000	100%	0	-	1,000	100%
Gigabyte Technology Poland SP Z.O.O.	0	-	100	100%	100	100%
Gigabyte Technology ESPANA S.L.U.	5,000	100%	0	-	5,000	100%
Gigabyte Global Business Corporation	1,000	100%	0	-	1,000	100%
Gigabyte Information Technology Commerce Limited Company	8,000	100%	0	-	8,000	100%
Gigazone Holdings Limited	0	-	34,500	100%	34,500	100%
Giga Zone Technology(Shenzhen) Limited	0	-	0	100%	0	100%
Gigabyte Technology LLC.	168,000	100%	0	-	168,000	100%
Gigabyte Trading Inc.	0	-	50,000	100%	50,000	100%
Senyun Precise Optical Co., Ltd.	0	-	20,700,000	49.87%	20,700,000	49.87%
Cloud Ride Limited	0	-	3,300,000	100%	3,300,000	100%
OGS Europe B.V.	0	-	3,000	100%	3,000	100%
Green Joy Co., Ltd. 綠享股份有限公司	0	-	816,000	51%	816,000	51%
Qsan Technology Inc.	0	-	4,487,500	40.31%	4,487,500	40.31%

Note 1: If the invested companies are limited liability companies, only the amount of investments and proportion of shareholdings are shown in the above table.

Four. Equity Capital and Shares

I.Equity capital and shares

(I)Sources of equity capital

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
April 1986	$1000/share	700	700,000	700	700,000	Initial capital	None	Apr. 30, 1986 Chien Yi Tze No.211834
September 1986	$1000/share	5,000	5,000,000	5,000	5,000,000	Issuing new shares amounted to $4,300,000	None	Sep. 30, 1986 Chien Yi Tze No. 185285
June 1991	$1000/share	20,000	20,000,000	20,000	20,000,000	Issuing new shares amounted to $15,000,000	None	Jun. 26, 1991 80Chien San Yi Tze No. 242795
July 1995	$1000/share	96,000	96,000,000	96,000	96,000,000	Issuing new shares amounted to$76,000,000	None	Jul. 20, 1995 84Chien San Ren Tze No. 402912
October 1996	$10/share	30,600,000	306,000,000	30,600,000	306,000,000	Capitalization of retained earnings at $60,000,000 Issuing new shares amounted to $150,000,000	None	Jul. 06, 1996(85) Taiwan-Finance- Securities-I No. 41051
July 1997	$10/share	57,820,000	578,200,000	57,820,000	578,200,000	Capitalization of retained earnings at $183,600.000, of capital surplus at $30,600,000, and employee bonus at $18,000,000 Issuing new shares amounted to $40,000,000	None	May 21, 1997(86) Taiwan-Finance- Securities-I No. 40522
April 1998	$10/share	280,000,000	2,800,000,000	113,858,000	1,138,580,000	Capitalization of retained earnings at $462,560,000, of capital surplus at $57,820,000, and employee bonus at $40,000,000	None	Apr. 04, 1998(87) Taiwan-Finance- Securities-I 29875

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
October 1998	$172.5/share	280,000,000	2,800,000,000	123,858,000	1,238,580,000	Issuing new shares amounted to $100,000,000	None	Oct. 22, 1998(87) Taiwan-Finance- Securities-I No. 85746
July 1999	$120/share	280,000,000	2,800,000,000	126,358,000	1,263,580,000	Issuing new shares amounted to 25,000,000	None	Jun. 16, 1999(88) Taiwan-Finance- Securities-I No. 57028
July 1999	$10/share	280,000,000	2,800,000,000	220,158,600	2,201,586,000	Capitalization of retained earnings at $867,006,000, and of employee bonus at $71,000,000	None	May 29, 1999(88) Taiwan-Finance- Securities-I No. 50319
June 2000	$10/share	460,000,000	4,600,000,000	328,135,260	3,281,352,600	Capitalization of retained earnings at $770,555,100, of capital surplus at $220,158,600 and employee bonus at $89,052,900	None	May 18, 2000(89) Taiwan-Finance- Securities-I No. 42789
July 2000	$129.25/share	460,000,000	4,600,000,000	358,135,260	3,581,352,600	Issuing new shares for the subsequent issuing of GDR amounted to $300,000,000	None	Jun. 27, 2000(89) Taiwan-Finance- Securities-I No. 46526
July 2001	$10/share	800,000,000	8,000,000,000	458,936,251	4,589,362,510	Capitalization of retained earnings at $537,202,980, of capital surplus at $358,135,260 and employee bonus at $112,671,670	None	May 31, 2001(90) Taiwan-Finance- Securities-I No. 134160
January 2002	$88.7/share	800,000,000	8,000,000,000	459,121,458	4,591,214,580	Issuing of ECB amounted to $1,852,070	None	Feb. 21, 2001(90) Taiwan-Finance- Securities-I No. 105452
March 2002	$88.7/share	800,000,000	8,000,000,000	459,413,344	4,594,133,440	Issuing of ECB amounted to $2,918,860	None	Feb. 21, 2001(90) Taiwan-Finance- Securities-I No. 105452
September 2002	$10/share	800,000,000	8,000,000,000	549,447,798	5,494,477,980	Capitalization of retained earnings at $689,120,020 and of employee bonus at $211,224,520	None	Jun. 19, 2002 Taiwan-Finance- Securities-I No. 0910133363

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
September 2003	$10/share	800,000,000	8,000,000,000	592,655,610	5,926,556,610	Capitalization of retained earnings at $274,723,890 and of employee bonus at $151,571,800 Issuing ECB amounted to $5,782,940	None	Jul. 14, 2003 Taiwan-Finance- Securities-I No. 091021455
September 2004	$10/share	950,000,000	9,500,000,000	624,509,332	6,245,093,320	Capitalization of retained earnings at $289,772,330 and of employee bonus at $159,874,380. Cancellation of treasury stocks amounting to $131,110,000	None	Jul. 13, 2004 Financial-Supervisory Securities I-No. 0930131089
September 2005	$10/share	950,000,000	9,500,000,000	671,885,898	6,718,858,980	Capitalization of retained earnings at $312,254,660 and of employee bonus at $161,511,000.	None	Jul. 7, 2005 Financial-Supervisory Securities No. 0940127429
September 2006	$10/share	950,000,000	9,500,000,000	671,471,898	6,714,718,980	Cancellation of treasury stocks amounting to $4,140,000 Employee bonus at $46,308,407.	None	Aug. 24, 2006 Financial-Supervisory Securities No. 0950138850
December 2007	$26.42/share	950,000,000	9,500,000,000	672,725,490	6,727,254,900	ECB 12,535,920	None	May 16, 2006 Financial-Supervisory Securities No. 0950115553
May 2008	$10/share	950,000,000	9,500,000,000	644,755,490	6,447,554,900	Cancellation of treasury stocks amounting to $279,700,000	None	May 7, 2008 Financial-Supervisory Securities III-No. 0970023166
October 2008	$25.28/share	950,000,000	9,500,000,000	653,091,886	6,530,918,860	ECB 83,363,960	None	May 16, 2006 Financial-Supervisory Securities No. 0950115553

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
December 2008	$10/share	950,000,000	9,500,000,000	633,091,886	6,330,918,860	Cancellation of treasury stocks amounting to $200,000,000	None	Oct. 20, 2008 Financial-Supervisory Securities III-No. 0970055414
July 2009	$10/share	950,000,000	9,500,000,000	629,133,886	6,291,338,860	Cancellation of treasury stocks amounting to $39,580,000	None	Apr. 22, 2009 Financial-Supervisory Securities III-No. 0980017260
January 2010	$17.39/share	950,000,000	9,500,000,000	633,150,386	6,331,503,860	Exercise of 40,165,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
May 2011	$17.39/share	950,000,000	9,500,000,000	642,565,886	6,425,658,860	Exercise of 94,155,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2010	$17.39/share	950,000,000	9,500,000,000	643,114,886	6,431,148,860	Exercise of 5,490,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2010	$17.39/share	950,000,000	9,500,000,000	633,719,886	6,337,198,860	Exercise of 2,050,000 shares of employee stock option issued in 2007 (First); Cancellation of treasury stocks amounting to $96,000,000	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711 Oct. 11, 2010 Financial-Supervisory Securities No. 0990055818
February 2010	$16.10/share	950,000,000	9,500,000,000	634,610,386	6,346,103,860	Exercise of 8,905,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2011	$16.10/share	950,000,000	9,500,000,000	637,005,386	6,370,053,860	Exercise of 23,950,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2011	$16.10/share	950,000,000	9,500,000,000	637,413,386	6,374,133,860	Exercise of 4,080,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2011	$14.80/share	950,000,000	9,500,000,000	637,922,386	6,379,223,860	Exercise of 5,090,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
February 2012	$14.80/share	950,000,000	9,500,000,000	638,306,386	6,383,063,860	Exercise of 3,840,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2012	$14.80/share	950,000,000	9,500,000,000	624,060,386	6,240,603,860	Exercise of 33,140,000 shares of employee stock option issued in 2007 (First)； Cancellation of treasury stocks amounting to $175,600,000	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2012	$14.80/share	950,000,000	9,500,000,000	624,548,386	6,245,483,860	Exercise of 488,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
November 2012	$14.80 and $13.68 per share	950,000,000	9,500,000,000	625,401,386	6,254,013,860	Exercise of 853,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
January 2013	$13.68/share	950,000,000	9,500,000,000	625,891,386	6,258,913,860	Exercise of 490,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
April 2013	$13.68/share	950,000,000	9,500,000,000	626,137,386	6,261,373,860	Exercise of 246,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities I-No. 0960070711
August 2013	$13.68/share	950,000,000	9,500,000,000	626,253,386	6,262,533,860	Exercise of 116,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
November 2013	$12.70/share	950,000,000	9,500,000,000	626,323,386	6,263,233,860	Exercise of 70,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2014	$12.70/share	950,000,000	9,500,000,000	626,571,386	6,265,713,860	Exercise of 248,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
April 2014	$12.70/share	950,000,000	9,500,000,000	626,822,886	6,268,228,860	Exercise of 251,500 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711

Month and year	Issuing price	Authorized capital		Paid in capital		Remarks		
		Quantity of shares	Amount	Quantity of shares	Amount	Sources of equity capital	Utilization of assets other than cash for payment	Other
November 2014	$12.70/share	950,000,000	9,500,000,000	626,832,886	6,268,328,860	Exercise of 10,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2015	$12.70/share	950,000,000	9,500,000,000	628,882,886	6,288,828,860	Exercise of 2,050,000 shares of employee stock option issued in 2007 (First)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711
February 2015	$12.70/share	950,000,000	9,500,000,000	629,012,886	6,290,128,860	Exercise of 130,000 shares of employee stock option issued in 2007 (First) (transfer of ownership pending)	None	Dec. 18, 2007 Financial-Supervisory Securities -I No.0960070711

Types of shares

Types of shares	Authorized capital (share)			Remarks
	Outstanding shares	Unissued shares	Total	
Common shares	599,012,886	320,987,114	920,000,000	
GDR	30,000,000	None	30,000,000	

Information of overall declaration system: Nil.

(II)The structure of shareholdings

April 19, 2015

Shareholder / Quantity	Government agencies	Financial institutions	Other institutional investors	FINI and FIDI	Natural persons	Treasury stock	Total
Number of shareholders	0	20	139	259	42,633	0	43,051
Quantity of shares held	0	55,234,184	98,677,660	158,991,879	316,109,163	0	629,012,886
Proportion of holdings	0.00%	8.78%	15.69%	25.28%	50.25%	0.00%	100.00%

(III)The diversification of shareholdings

Face amount at NTD10/share

April 19, 2015

Ranking of shareholding	Number of shareholders	Quantity of shares held	Proportion of holdings
1-999	14,496	2,991,158	0.48%
1,000-5,000	21,516	47,706,218	7.58%
5,001-10,000	3,711	28,673,757	4.56%
10,001-15,000	1,086	13,558,569	2.16%
15,001-20,000	642	12,021,792	1.91%
20,001-30,000	517	13,099,624	2.08%
30,001-40,000	243	8,678,048	1.38%
40,001-50,000	150	7,065,194	1.12%
50,001-100,000	291	21,351,162	3.39%
100,001-200,000	155	22,325,277	3.55%
200,001-400,000	99	28,062,218	4.46%
400,001-600,000	25	12,399,743	1.97%
600,001-800,000	19	13,718,442	2.18%
800,001-1,000,000	12	11,061,192	1.76%
1,000,001 and more	89	386,300,492	61.42%
Total	43,051	629,012,886	100.00%

(IV)List of dominant shareholders

April 19, 2015

Shares / Name of dominant shareholders	Quantity of shares held	Proportion of shareholdings
Liu, Ming-Hsiung	41,168,918	6.55%
Fubon Life Insurance Co.	30,000,000	4.77%
Yeh, Pei-Chen	28,531,237	4.54%
Ma, Meng-Ming	23,620,024	3.76%
Shi Da Investment Limited	17,289,000	2.75%
Ming Wei Investment Limited	14,062,200	2.24%
Xi Wei Investment Limited	9,063,075	1.44%
Walsin Technology Corporation	8,590,000	1.37%
Labor Pension Fund (New Scheme)	8,350,000	1.33%
Robeco Capital Growth Funds Investment Custody Account at HSBC	7,942,000	1.26%

(V) The market price, net value, earning and dividend per share and related information in the last two years

Subject			2013	2014	Current year to March 31
Market price per share (Note 1)	Highest		39.30	52.30	40.65
	Lowest		25.10	30.85	36.80
	Average		29.05	41.19	38.81
Net value per share (Note 2)	Cum-dividend		34.85	35.87	-
	Ex-dividend			(Note 8)	-
EPS	Weighed average number of shares		626,259,249	627,290,006	-
	EPS (Note 3)		3.76	3.82	-
Dividend per share	Cash dividend (Dollar)		3.00	2.70	-
	Stock divided	-	-	-	-
		-	-	-	-
	Accumulated unpaid dividends(Note 4)		-	-	-
Analysis on ROI	P/E ratio(Note 5)		7.73	10.78	-
	P/P ratio(Note 6)		9.68	15.26	-
	Cash dividend yield(Note 7)		10.33%	6.55%	-

Note 1: The information comes from TWSE's after-market trading information.

Note 2: The basis is the number of shares already occurred in previous years and filled out according to the distribution resolved by the shareholders' meeting next year.

Note 3: If retrospective adjustments are required for share distribution without consideration, earnings per share before and after the adjustment should be listed.

Note 4: If the condition of the issue of equity securities is that undistributed dividend from the current year could be accumulated until the year when there is earnings for distribution, the unpaid dividend until the current year shall be disclosed.

Note 5: P/E Ratio = Average closing price per share over the year / earnings per share.

Note 6: Price / Dividend Ratio = Average closing price per share over the year / cash dividend per share.

Note 7: Cash Dividend Yield = Cash Dividend per Share / Average closing price per share over the year.

Note 8: To be determined after the resolution from shareholders' meeting.

(VI) Dividend policy and implementation

1. Dividend policy:

The Company is under an environment of keen competition in the industry and a high level of uncertainty. In addition, the enterprise is at the mature stage of the life cycle. In consideration of the capital requirement for operation and long-term financial planning and meeting the needs of the shareholders in cash inflow, the Company, as a matter of principle, will appropriate 5% to 80% of the accumulated unpaid income as dividend for the shareholders. Cash dividend will be paid at no less than 5% of the total amount of dividend to be paid out, and such proportion will be adjusted by the resolution of the General Meeting depending on the actual profit position and availability of capital. The proposal of dividend payment presented by the board will be based on the industry level in dividend payment for maintaining proper balance and stability. Stock dividend will be paid out by the capitalization of capital surplus, and will be made in conjunction with cash dividend and in accordance with applicable legal rules.

2. The dividend payment plan as proposed in this General Meeting:

Unit: Share; NTD

Subject	New shares	Amount
Accumulated unpaid income (7,391,466,408) 5% 80%	-	369,573,320 5,913,173,126
Cash dividend paid to shareholders (@$2.	-	1,698,334,792
Employee cash bonus	-	195,210,896
Fees for directors and supervisors	-	58,563,269
Total	-	1,952,108,957

(VII) The impact on the Company's operations and EPS of the stock dividend proposed by this shareholders' meeting

None.

As resolved at the present shareholders' meeting, all dividends should be allocated in cash, without the issuance of bonus shares.

(VIII) Employee Bonus and Fees for Directors and Supervisors

1. The percentage or range of employee bonus and remuneration for directors and supervisors stated in the Company's Articles of Incorporation:

Where there may be a surplus for the Company, such surplus shall be subject to corporate income tax payment and offsetting the loss being carried from the past. The remainder of such surplus shall be subject to statutory reserve at 10% of such amount, and a specific portion will be allocated as special reserve basing on the stated shareholder's equity debit account. If there is still a surplus, such surplus will be added to the 5% to 80% of the unpaid earnings carried forward from the previous year as a dividend. The decision shall be drafted by the Board and resolved by the Shareholders' Meeting. The decision shall be resolved by the General Meeting and the ratio of cash and stock dividend shall be based on the actual profitability of the year and the availability of capital.

(1) For employee bonus, 6% to 10%.

(2) Fees for directors and supervisors shall not be higher than 3%.

2. The Company is under an environment of keen competition in the industry and a high level of uncertainty. In addition, the enterprise is at the mature stage of the life cycle. In consideration of the capital requirement for operation and long-term financial planning and meeting the needs of the shareholders in cash inflow, the Company, as a matter of principle, will appropriate 5% to 80% of the accumulated unpaid income as dividend for the shareholders. Cash dividend will be paid at no less than 5% of the total amount of dividend to be paid out, and such proportion will be adjusted by the resolution of the General Meeting depending on the actual profit position and availability of capital. The proposal of dividend payment presented by the board will be based on the industry level in dividend payment for maintaining proper balance and stability. Stock dividend will be paid out by the capitalization of capital surplus, and will be made in conjunction with cash dividend and in accordance with applicable legal rules.
3. Information on the Proposal on employee bonus proposed by the board:

   The board resolved in favor of the motion presented for the paid out of retained earnings for 2014 and the details are described as follows:

Unit: NTD/share

Subject	Quantity	Amount
Cash dividend paid to shareholders (@$2.7)	-	1,698,334,792
Employee bonus (10%): Employee bonus-cash	-	195,210,896
Fees for directors and supervisors (3%	-	58,563,269

Note 1: The estimated employee bonus for year 2014 is NT$ 187,971 thousand, and the estimated directors' and supervisors' compensation is NT$ 56,391 thousand. However, if the amount actually paid out differs from the estimated figures in the financial statements, the difference shall be treated as a change in accounting estimates and booked in the year of shareholders' meeting resolution.

Note 2: The earnings per share after proposed employee bonus and directors' and supervisors' compensation: $3.82.

4. Retained earnings of the previous year released as cash dividend to employees and fees for directors and supervisors:

Unit: NTD/share

Subject	The amount resolved by the Board and General Meeting
I. Paid out:	
1.Cash bonus for employees	$216,145,823
2.Stock dividend for employees	
(1) Quantity	0
(2) Amount	0
(3) Proportion to outstanding shares	0
3.Fees for directors and supervisors	$64,843,747
II. Information on EPS:	
1. Previous EPS ($)	3.76
2. Projected EPS ($)	3.76

Note: The actual distribution of cash bonus and remuneration for directors and supervisors resolved by the shareholders' meeting is different from the employee bonus of NT$176,667 thousand and the remuneration for directors and supervisors of NT$53,000 thousand listed in the (2013) financial statement by NT$51,323 thousand. This figure has been factored into the net income of 2014.

(IX) Stock buyback

In 2014 and as of the publication date of the annual report, our company has not bought back treasury stock.

II. Corporate bonds

No corporate bonds that have not expired yet.

III. Issue of preferred stock

None.

IV. Condition of GDRs

None

V. Employee Stock Options

1. Employee Stock Options:

April 30, 2015

Types of employee subscription warrants (Note 2)	First time Employee subscription warrants (Note 5)	Second time Employee subscription warrants (Note 5)
Date of approval from the competent authority	June 17, 2003	December 18, 2007
Date of issuance (Note 4)	-	December 19, 2007
Number of units issued	-	40,000
Subscribable shares issued / total shares issued (%)	-	5.95%
Duration of subscription	-	10 years
Way of exercise (Note 3)	-	Issuance of new shares
Limitation on subscription periods and percentage (%)	-	2 years after warrants granted, subcribable percentage :50% 3 years after warrants granted, subcribable percentage : 80% 4 years after warrants granted, subcribable percentage :100%
Number of subcribable shares exercised	-	27,039,000
Amount of subcribable shares exercised	-	432,143,280
Number of unexercised subcribable shares	-	10,089,000 shares (Note 6)
Original subscription price per share for unexercised subcribable shares	-	$19 per share
Number of unexercised subcribable shares / Total shared issued (%)	-	1.60%
Effects on shareholders' equity	-	No significant dilution effect on original common shareholders' equity

Note 1: The progress of employee subscription warrants includes employee subscription warrants issued by public offering and private placement under processing. Public offering employee subscription warrants under processing are those that have become effective by the Board. Private placement employee subscription warrants under processing are those that have been approved by the general meeting of shareholders.

Note 2: The number of fields displayed depends on the number of processing times

Note 3: It should be specified that the shares delivered are shares issued or shares of new issuance.

Note 4: Different issuance dates should be stated separately.

Note 5: Private placement warrants should be marked specifically.

Note 6: After deducting2,872,000 subscribable shares voided due to employees leaving the firm

2. Employee Stock Options Granted to Management Team and to Top 10 Employees with an Individual Grant Value over NT$30,000,000:

April 19, 2015

	Title (*1)	Name	Number of subscribed stock options	Percentage of number of stock options subscribed to number of total outstanding shares	Exercised				Unexercised			
					Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares	Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares
Managers	Gigabyte , President	Yeh, Pei-Chen	23,460,000	3.73%	13,880,000	17.39、16.10、14.80、13.68、12.70、11.90	219,157,450	2.21%	9,580,000	11.90	114,002,000	1.52%
	Gigabyte , Senior Vice President	Ma, Meng-Ming										
	Gigabyte , Senior Vice President, Operation Management Center, COO	Liu, Ming-Hsiung										
	Gigabyte , Senior Vice President, Manufacturing BU	Chen, Chun-Ming										
	Gigabyte , Senior Vice President, Motherboard BU	Lin, Huo-Yuan										
	Network and Communications BU, President	Lee, Yi-Tai										
	Manufacturing BU, President	Meng, Hsian-Ming										
	Motherboard Business Unit Senior Special Assistant	Hong, Wen-Chi										
	Operation Management Center,, Finance Division, CFO	Chen,Chun-Ying										
	Manufacturing BU, Dongguan Gigabyte, Vice President	Yen, Cheng-Hsia (Note 1)										

	Title (*1)	Name	Number of subscribed stock options	Percentage of number of stock options subscribed to number of total outstanding shares	Exercised				Unexercised			
					Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares	Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares
	Operation Management Center, Overseas Platform Management, US Platform Vice President	Lu, Zheng-wei										
	Operation Management Center, IT Division, Strategic Information Officer	Bai, Guang-Hua										
	Operation Management Center, Vice President and Special Assistant to the President	Chen,Jin-Ting										
	Network and Communications BU, Networking Platform Product Center, Assistant Manager	Chen,Zhang-Xiang										
	CEO Office Special Assistant to the President	Chen,Shi-Cheng										
	Motherboard BU, Senior Assistant Manager, Network Platform Product Center	Hou,Zhi-Ren										
Managers	Motherboard BU Service and Marketing Sales Center Vice President	Kao, Han-Yu										
	Motherboard BU, VP	Chen, Chen-Shun										

	Title (*1)	Name	Number of subscribed stock options	Percentage of number of stock options subscribed to number of total outstanding shares	Exercised				Unexercised			
					Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares	Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares
	Motherboard BU, Service and Sales Marketing Center, Senior Assistant Manager, North America Office	Liao,Chi- Li										
	Motherboard BU, Service and Sales Marketing Center, Senior Assistant Manager, Russia Office	Hsiao,Wen-Ta										
	Motherboard BU, Service and Sales Marketing Center, Senior Assistant Manager, Russia Office	Liu,Wen-Chung										
	Motherboard BU, Innovation and Creative Value Center, software office, assistant manager	Deng, Yi-Ming										
	Motherboard BU, Innovation and Creative Value Center, senior assistant manager, Firmware Division 2	Tseng, Wei Wen										
	Motherboard BU, Innovation and Creative Value Center, hardware office 1, assistant manager	Liao, Che Hsien										

	Title (*1)	Name	Number of subscribed stock options	Percentage of number of stock options subscribed to number of total outstanding shares	Exercised				Unexercised			
					Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares	Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares
	Mobility Product Business Center, Software R&D Div. Assistant Manager	Lan, Chun-Kun										
	Network and Communications BU, Networking Platform Product Center, Assitant Manager	Chen, Yun-Ti										
	Tech Lifestyle BU, Assistant Manager	Jiang,Min-Chung (Note 1)										
	Overseas Manufacturing Ningbo Gigabyte Assistant Manager	Ko, Wei-Ti										
	Operation Management Center Legal and IP Affairs Div. Assistant Manager	Chiu, Chih Peng										
	Motherboard Business Unit China Department Assistant Manager	Lan, Shao-Wen										
	Manufacturing Business Unit Chief Engineering Division Assistant Manager	Sun, Wu-Hsiung										
	e-Sports Business Unit R&D Division Assistant Manager	Huang, Shun-Chih										
	e-Sports Business Unit Sales and Marketing Division Assistant Manager	Lin, Ying-Yu										

	Title (*1)	Name	Number of subscribed stock options	Percentage of number of stock options subscribed to number of total outstanding shares	Exercised				Unexercised			
					Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares	Number of stock options	Subscription price	Subscription amount	Number of stock options subscribed to number of total outstanding shares
Employees	Employee	Li, Yi-Ju	3,630,000	0.58%	3,540,000	17.39、16.10、14.80、13.68、12.70、11.90	56,886,380	0.56%	90,000	11.90	1,071,000	0.01%
	Employee	Chen, Ching-Hui										
	Employee	Lin, Pin-Hsing										
	Employee	Chen, Yong-Hsing										
	Employee	Kao, Sheng-Liang										
	Employee	Lin,Cheng-Lung										
	Employee	Kao, Hong-De										
	Employee	Chang, Gui-Shan										
	Employee	Kao, Yong-SHun										
	Employee	Chang, Shi-Pin										
	Employee	Lo, Ching-Hsiang										

Note 1: Yen, Cheng-Hsiang separated from the Company on 2015/4/8; Jiang Min-Chung separated from the Company on 2015/4/24. ·

VI. Issuance of New Restricted Stock for Employees

None

VII. Issuance of New Stock from Merger or Acquisition of Other Companies' Stock

Not Applicable

VIII. Status of Capital Utilization Plan

Not applicable

Five. Review of Operation

I.The business

(I) Scope of Operation

1. Content of business
   (1) Manufacturing of computers and related components
   (2) Information software services.
   (3) Machinery wholesaling.
   (4) Manufacturing of electronic parts and components.
   (5) Digital information supply services.
   (6) Manufacturing of wireless communications machines and devices.
   (7) Manufacturing of prohibited telecommunications transmitters and equipment.
   (8) Importing of prohibited telecommunications transmitters and equipment.
   (9) Information software wholesaling.
   (10) Computers and business machine and equipment wholesaling.
   (11) Telecommunication equipment wholesaling
   (12) Telecommunication equipment retailing.
   (14) Any other business not banned or restricted by law with the exception of business that required special permission.
2. Business distribution:

Unit: NTD1,000

Proportion / Primary Products	2012		2013		2014	
	Sales value	%	Sales value	%	Sales value	%
Motherboards	28,419,988	62.06	30,233,102	59.14	31,306,900	57.40
Others	17,377,670	37.94	20,885,892	40.86	23,234,787	42.60
Total	45,797,658	100.00	51,118,994	100.00	54,541,687	100.00

Note 1:The above table shows net sales revenues.

3. Current products:
   (1) Ultra-durable and high performance computer mother boards
   (2) Ultra-durable and high performance 3D accelerator display cards
   (3) Laptop/ultra-lightweight laptops
   (4) Tablet PCs and devices
   (5) Advanced and multifunctional servers
   (6) Smart phones
   (7) Computer peripheral products
   (8) Network storage productsComputer peripheral products
   (9) Broadband network device and wireless communication products

4. New product development plans:
   (1) Development of various motherboard series for the most advanced and newest INTEL and AMD platforms.
   (2) Expanding the depth and scope of Gigabyte products, with particular focus on advanced products for competitive gaming as well as Gigabyte's exclusive software and hardware technology solutions as we continue to establish a Taiwanese brand of excellence.
   (3) Release peripherals for professional gaming computers.
   (4) Release a new generation of WINDFORCE ultra-long-lasting professional graphics card.
   (5) Launching of all-new smart lifestyle products to satisfy consumer needs.
   (6) Rolling out various high expandability and high price/performance ratio multi-core high level server.

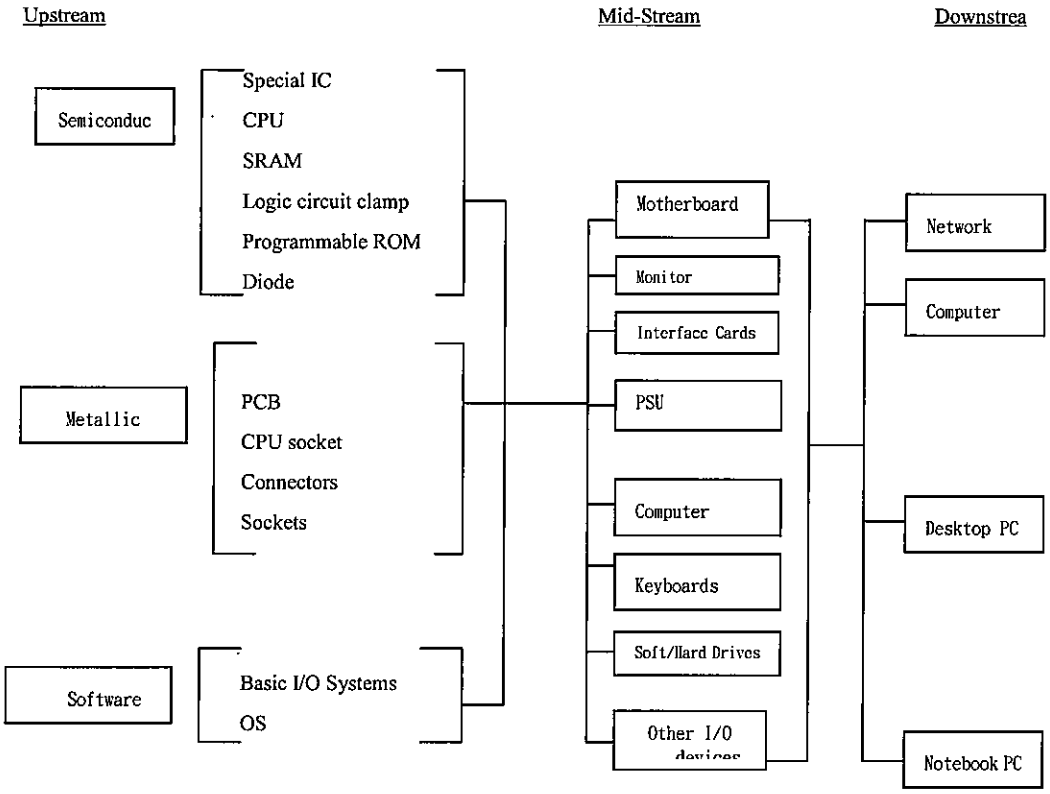
(II) Industry Overview:

1.Industry status and developments

IDC research found that the PC industry gained a respite from the wave of XP-machine upgrades and slow-down in tablet sales. PC shipments in 2014 grew by nearly 1.8% with a slight decline in notebook quantities. The motherboard industry bucked the trend with a growth of 4.4% but overall output shrunk slightly by 0.1%. Analysis of the key factors pointed to cutthroat competition for market share by global motherboard vendors in 2014. This resulted in the global motherboard industry seeing increased quantities but decreased value.

Negative growth is expected for worldwide PC shipments in 2015. In terms of the market, regional currency fluctuations and the passing-on of costs caused by a strong US dollar is having a direct impact on demand in the PC market. This does not mean the market will go into a decline but it will take time to recovery. While notebook PCs declined slightly, the motherboard market may deliver an eye-catching performance this year. The release of the new Intel® platform should strengthen shipments in the second half.

2.The associations of the upstream, mid-stream and downstream industries



Increased specialization in the supply chain of the IT manufacturing industry is leading to closer integration between all of its parts.

3. Product trends and competition

Leading upstream companies:

The coming of Cloud applications brings with it increasing diversity in devices and applications. The trend in the powerhouse computer and slim lightweight PCs is towards increasing customization to provide users with more digital content, data applications, multimedia, and entertainment functions. The demand for hardware performance and cloud service applications have therefore increased rapidly. Major companies such as INTEL, AMD, NVIDIA, and Qualcomm have invested heavily in developing products for new platforms in order to satisfy the diverse requirements of the market.

Mid- and downstream:

The rapid development cloud computing has seen a gradual integration of hardware products and application services. Users can now choose between high-performance or slim, lightweight devices based on their personal preferences. The difference between PCs and smart devices will become increasingly blurred while services will become even faster through integration.

With the dawning of the new era of Cloud computing, Gigabyte has continued to release lightweight, energy saving, and convenient new product solutions, using both software and hardware developments and integrating them within product designs to meet market and user requirements in order to create the brand that best meets the global trend.

(III) Technology and R&D:

Gigabyte has aggressively committed itself to research and development, devoting at least 3% of its revenue to R&D expenditure and ensuring the key software and hardware needed for future growth are in control by the Company. Gigabyte focuses on product innovation value and the enduring development of the brand. In recent years, the Company has won major international awards such as IF and reddot. The products of our brand are on display at the Presidential Office Building and Taoyuan International Airport, demonstrating again Gigabyte's branding power.

1. Spending on research and development in the last two years until the date this report is printed:

Unit: NTD1,000

Subject	2013	2014	As of March 31, 2014
R & D spending	1,963,294	1,815,605	387,444

Source: Consolidated financial report certified (audited) by CPA

2. Successful technologies or products developed over the two previous years up until the date of publication:

(1) 2013

a. We continued to create "firsts" in the world in terms of motherboard technology. We launched the Ultradurable™ technology series of motherboards, far outpacing our rivals in terms of functions, effectiveness, quality, and service. Among those, the Z77X-UP7 is fitted with 32+3+2 power phase design and has been recognized with Best of Computex 101 award. This award not only proves Gigabyte's strength in design and innovation, but also proves Gigabyte's unique component design, fulfilling elite players' demand for games and computing capabilities.

b. Gigabyte pioneered the Super Overclock series, achieving another success in the 3D display industry. For the enjoyment of high-end hardware enthusiasts, we adopted the unique GPU Gauntlet™ Sorting technology. We also made a breakthrough and applied Triangle Cool technology, which was only formerly used in high-level display cards such as WINDFORCE, to the research and development of "Triangular Three-Dimensional Blue Eye Fans" that used brand new engineering methods. We again set another milestone for the capability and quietness of accelerated display cards.

c. Gigabyte accomplished the R&D of the new generation cloud service solution, which is equipped with new open integration structure, coupled with virtual technology, and the power management capability that is both effective and green. It can perfectly support the application platforms of our customers and provides better energy efficiency and system capability.

d. Gigabyte successfully developed the lightest, fastest, and most cost-effective slim notebook computers – the X11 with ultra lightness, U2442 with ultra functions, and U2440 with ultra value. Gigabyte's X11 notebook weighs only 975 grams and is only 0.3 cm at its thinnest point. It is the lightest ultrabook in the world and also made entirely of carbon fiber, making it extremely light and thin. Gigabyte's U2442, which surpasses ultrabooks and has a body as sleek as a shuttle, is embedded with third generation Intel® Core™ processor and NVIDIA® GeForce® GT 650 / GT 640M graphics chips. Combined with THX TruStudio Pro™ sound optimization technology, it is the perfect combination of slimness and functionality, redefining the new standard of ultrabooks. Gigabyte's U2440 is the evolutionary revolution of standard notebooks. It is embedded with a DVD drive in a portable slim body, and coupled with 3D digital output HDMI1.4 and USB 3.0 with 10x the regular transmission speed, plus Bluetooth 4.0 that is fast and energy-efficient. It offers users a choice beyond their expectations.

e. Gigabyte developed a brand-new, 21.5 inch AE21T8 that combined a sleek screen with a powerful desktop computer. The result is an integrated All-in-One computer with a full spectrum of functions. It is coupled with third generation Intel®Core™ i7/i5/i3 processors, equipped with backlit LED HD screens, and supporting 3G connection and digital TV functions, providing comfortable working and entertainment visual experience.

f. Gigabyte developed and designed the Aivia Krypton dual chassis game competition mouse with players' needs in mind. It offers high quality and well-designed weight sets, and players can choose their own mix among the 35 possible combinations. This way, players can further adjust the weight transfer system inside the mouse and guarantee the most comfortable sense of contact. Combined with upgraded GHOST software, Gigabyte successfully meets the demand of competitive game players and has won the Germany's iF design Grand Prize in 2013.

g. Gigabyte launched a brand new peripherals product line. The first product to meet the market is the Gigabyte SkyVision WS 100 wireless audio and video transmission device. It offers plug-and-play high definition. It is not only compact in size, but also uses the newest wireless home digital interface (WHDI 1.0). All that is required is plugging SkyVision into the HDMI port on the computer and TV, high definition picture and sound at 1080p/ 60Hz can be transmitted with this technology, without the need to install any software. Users can immediately enjoy a high definition visual and audio setting without any time lag or wires.

(2) 2014

a. Gigabyte has continued to break its own world records in terms of advanced motherboard technologies, performance and quality. We released an all new motherboard series featuring exclusive all-new SOC technology and an innovative design that allows players to intuitively optimize the performance of their hardware. The new Gigabyte Z97 and X99 motherboards aimed to provide the ultra-durable quality, incomparable performance and breathtaking appearance that players want. Whether a gamer selects the G1™ gamer series, the SOC super-overclocker series, or Gigabyte's classic Ultra-durable series, they will be satisfied with the rich range of features such as M.2, SATA Express and Thunderbolt™ expansion slots that Gigabyte tailors to the needs of gamers, overclockers or computer professionals.

b. Gigabyte introduces new innovations every year to meet gamer demands of their display cards! This year marked the launch of the Gigabyte WindForce and WaterForce cooling systems that deliver all new levels of single-card water-cooling performance and overcomes the bottleneck for multi-card air-cooling. Whether a player prefers air- or water-cooling, they can all see Gigabyte's latest and most outstanding design this year for themselves! WindForce features proprietary "Triangular Solid" cooling technology with hybrid heat pipes while for water-cooling there is the all new WaterForce cooling system. The system is designed for high-end gaming enthusiasts who want ultra-quiet and ultra-cool gaming environments. Gigabyte's proprietary one-piece self-contained water cooling technology cools the GPU, memory and MOSFET. The WaterForce set-top chiller with a stylish, understated design includes an intuitive OLED display for monitoring the status of all display cards. The temperature, fan and pump speeds can all be intuitively controlled through physical buttons, delivering not only powerful cooling performance but also outstandingly low noise.

c. Gigabyte has finished developing a new generation of Cloud Service package including a new generation of server motherboards that support the Intel® Xeon® E5-2600/1600 V3 processors. To significant boost system processing power, we also pioneered the use of the latest and fastest DDR4 technology along with support for Intel® vPro dual-port Gigabit Ethernet controller. This can be used with virtualization technology to deliver excellent performance and green energy management functions that perfectly support client application platforms while delivering improved power-efficiency and system performance.

d. Gigabyte notebooks have always had a reputation for high-performance products. This year we launched the P34G v2, the first notebook in the world to feature PlexTurbo technology that delivers the ultimate gaming experience with twice the industry transfer rate. This greatly reduces game loading times while also accelerating the reading of game maps and data. PlexTurbo is a smart SSD caching technology that combines system memory, SSD DRAM cache and SSD storage to deliver 2 ~ 14 times the performance of ordinary SSD. Apart from faster access speeds and longer FLASH memory service lives, PlexTurbo can also protect against data loss due to power shortages. The advanced memory access algorithms enable PlexTurbo to effectively increase transfer rates and reduce memory footprints for a silky-smooth lag-free user experience. To overcome the endurance problem in e-sports notebooks, Gigabyte has taken advantage of NVIDIA®'s new generation of GeForce® GTX 980M and GTX 970M discrete graphic cards to launch the 15.6" P35 and 14" P34 lightweight high-performance e-sports notebooks. The new high-end display cards are based on the 28nm Maxwell process that deliver breathtaking processing power and longer battery life. Support for Battery Boost 2.0 technology allows the notebook to consume less power while delivering the same FPS. Gigabyte has discerned the market demand for high-mobility, high-performance notebooks, The release of slim gaming notebooks is targeted at enthusiasts looking for extreme performance and there is no better choice for those looking for both mobility and performance.

e. As the successor to BRIX that dominated the ultra-mini PC market last year, Gigabyte BRIX Pro immediately won the favor of Tom's Hardware, a professional computer reviewer upon its release and was presented with the Best of CES 2014 award. BRIX Pro inherits the outstanding design philosophy of the BRIX family and packs high-performance Intel® Core™ i7/i5 processors and the Intel® Iris™ Pro 5200 graphics architecture into a compact form-factor. It can not only handle CPU-intensive applications such as graphics design or video editing, the high graphics performance of BRIX Pro takes 3D games in its stride as well. For intensive entertainment applications, the new BRIX Gaming carries on the BRIX series' micro form-factor. The Intel® Core™ I processor and NVIDIA® GeForce® GTX™ 760 graphics core within the BRIX Gaming is more than enough for handling all kinds of intensive applications. The superb graphics processing power of BRIX Gaming also makes it the dream package for 3D gamers.

f. The new Raptor optical engine e-sports mouse is designed specifically for FPS and RTS gaming. It was also the winner of the "1st Gigabyte Make It Real! Mouse Design Contest". Three new Taiwanese designers created this masterpiece by combining ergonomics with the look of a raptor's talons. The design was praised by judges and given the chance to enter mass-production. The champion mouse no features 4000 dpi competition-grade optical tracking engine and hot key support for switching between 4 levels of DPI sensitivity to deliver high precision control and movement. Other features include the Omron micro-switches with an ultra durable service life of 10 million switching cycles and improved tactile feedback. Every button on the mouse can also be bound to specific keys or macros using the GHOST macro engine to provide players with even more flexibility on customization.

g. Gigabyte released two new dual-card smart phones (GSmart GX2 and GSmart Mika M2) featuring the Qualcomm Snapdragon 400 chipset with a super-fast 1.6GHz quad-core CPU and 2GB RAM/8 GB ROM. Along with the 5" OGS display, the smart phone has even slimmer appearance, magnesium-aluminum alloy body and IPS screen for vivid colors. The smart phone offers the user an enhanced viewing and listening experience for movies, games or music.

(3) As of the publication date of the annual report

a. We have continued to lead the world in motherboard technologies. Our new Champion motherboard series set dozens of overclocking world records immediately upon launch, making Gigabyte motherboards synonymous with extreme performance but also demonstrating our superiority in stability, performance, quality and service over our competitors. The new Champion series is a testament to Gigabyte's commitment to performance, quality and the DIY market. Its popularity among overclockers, performance enthusiasts and even avid gamers represented not only recognition of Gigabyte's design efforts and innovation, but also shows that our unique design and choice of materials truly satisfies the demands for gaming and computer performance among elite users.

b. We are focusing on gaming notebook products with a dual-brand strategy based around Gigabyte and Aorus to increase the depth and breadth of our products. Early this year, we launched the X5 15.6" gaming notebook with dual GTX965M discrete display cards as well as a full range of 13", 15" and 17" slim high-end gaming notebooks to meet the needs of gamers from all generations. The latest 15.6" X6 gaming notebook with dual GTX display cards boasts industry-leading performance, advanced NVIDIA G-SYNC technology, XSplit live stream software and is the first in the world to feature internal hardware compression (X5). It has already won the Innovation Design Award at Computex 2015 and has once again captured the attention of gamers worldwide.

c. To realize the goal of ultimate stealth, cooling and performance, Gigabyte equipped its high-end gaming display cards with the WaterForce super 3-Way SLI water-cooling system. The package combines pure processing power, fast cooling and an easy-to-install design into a complete 3-Way SLI graphics card solution that unleashes gaming performance like never before. When integrated with Gigabyte's proprietary cooling system and Flex Display multi-display technology, the result is a smooth and quiet wide-angle gaming experience that allows elite gaming enthusiasts to turn the special effects all the way up and charge their way towards victory.

d. To build on the success of the BRIX product line we will partner with Intel to launch next-generation products featuring Intel's 5th generation Core product. The product line will also be expanded to the embedded, business and workstation markets. In June for example, we will unveil BRIX Gaming with an internal discrete graphics card at Computex to highlight our R&D capabilities in electronic circuit engineering, materials and cooling technology.

e. We will take the lead by launching products that support the Nvidia Cloud Gaming platform at the same time as the Nvidia GPU Technology Conference. In the second half of the year, we will also release products that support the GRID platform at the heart of Maxwell. By staying closely attuned to industry trends and developments, Gigabyte will be a player in the high-speed computing products sector as well and take the lead over other Taiwanese companies.

(IV) Long- and short-term business development plan:

1. OBM

Short-term plan:

(1) Market: Demands for personalized video, audio and multimedia applications have been increasing rapidly in recent years. Gigabyte plans to release a series of products featuring ultra-slim designs and Cloud technology to satisfy user needs for convenient access to Cloud services anytime and become the leading brand in the market.

(2) Gigabyte will continue to leverage our strength in R&D by not only setting new world records in performance but also providing customers with the best green energy gains. Product safety, environmental safety, smart energy-saving services and disclosure of carbon footprint along with the launch of new products will help meet the needs of different user groups. Gigabyte will further strengthen the integrity, performance and value of branded products to create better profitability.

(3) In terms of marketing: Gigabyte will adopt innovative and differentiated marketing while also forming alliances with major international companies (such as Intel, AMD, NVIDIA) and leading brands in other industries (such as software vendors) in joint marketing campaigns to increase brand exposure and recognition.

(4) In terms of channel construction: Gigabyte is strengthening its cooperation with agents to ensure that marketing strategies and goals are implemented with due consideration for time and place. We are also extending our reach to the distributor level to upgrade the overall supply chain as well as providing appropriate service and support.

(5) In terms of service: Gigabyte will intensify its customer satisfaction activities in hope of increasing brand adherence by offering faster and more reliable customer service.

Long-term plan:

(1) With the brand ethos of "Revolutionize Technology, Beautify Life," Gigabyte continues to launch attractive and competitive products and further expands product lines and market positions.
(2) Gigabyte aggressively promotes the market positioning of current product lines. With cloud technology and the trend of personalized digital lifestyle, Gigabyte seeks newer and more diversified innovative products to explore market opportunities in different areas. This way, Gigabyte can expand the size of the market and broaden the customer base, producing revenue and profit growth for the Company in the long run.
(3) Gigabyte continues to focus on the trend of and demand for cloud computing. Combined with green energy technology, we hope to maintain our customers' high level of trust on Gigabyte's R&D, quality, and service. With our numerous service and maintenance locations around the world, we can satisfy customer demand and create more opportunities, producing more growth opportunities for the Company.
(4) We hope to maintain our customers' high level of trust on Gigabyte's R&D, quality, and service and transform this trust into the driving force for the orders of other IT products. Currently, we have extended cooperation with a number of strategic partners.

II.Market and Sales

(I) Market Analysis

1. Main product (service) market regions:

To further expand company's performance, improve Chennel management and strengthen customers' satisfactions, we have service sites all around the globe including Western Europe, Eastern Europe, China, Northeast Asia, Southeast Asia, Australia, India, Middle East, North America, South America and Australia in order to provide after-sales, product and consulting services.

Sales volume and value over the last three years:

Unit: NT$1,000

Year / Region	2012		2013		2014	
	Amount	%	Amount	%	Amount	%
Asia	24,347,464	53.16	26,726,662	52.28	26,036,670	47.74
Europe	11,113,653	24.27	13,179,842	25.78	15,779,293	28.93
North America	5,006,900	10.93	6,384,545	12.49	7,822,318	14.34
Other regions	1,263,588	2.76	1,592,976	3.12	1,984,359	3.64
Domestic sales	4,066,053	8.88	3,234,969	6.33	2,919,047	5.35
Total	45,797,658	100.00	51,118,994	100.00	54,541,687	100.00

2. Market share, future supply & demand in the market, and growth potential:

(1) In 2014, Gigabyte's sales rose and remained market leader. This was mostly attributed to Gigabyte's innovative research and development product quality that exceeds the market standard. A robust supply chain helps to provide competitive products and services and achieve stellar performance and increasing profits!

(2) Future Supply and Demand in the Market

a. Market Demand

MIC reports that the PC market will shrink and the motherboard industry might stagnate. Gigabyte is driving market demand by creating new trend-setting products and services as well as the best IT solutions. We will face 2015 with our head held high.

b. Market Supply

As the data from the Institute for Information Industry show, the relationship between the market share and shipping volume of our Company's motherboards are as follows:

Unit: Thousand pcs

Year	Global Motherboard Production	Gigabyte's Motherboard Production	Market share
2014	146,403	19,782	14%
2013	144,300	19,950	14%
2012	147,390	18,700	13%

Source: Statistical data compiled by the Institute for Information Industry

Gigabyte expects to expand brand value and superior marketing channels in 2015 to strenghten our competitive advantages, achieve further improvements for the excellence of our products and services, and continue to generate higher profits and value.

(3) Future Growth in the Market

Green energy and cloud are the top topics in the PC market. Gigabyte is leveraging its strength in R&D to not only set many world-firsts in performance but also provide our customers with the best benefits of green energy. We will work on Cloud services and applications for innovative software and hardware integrations. In addition to providing users with astounding functions, our products have also continued to garner awards and external recognition. By driving new innovative technologies and marketing of new products, we are confident in our capabilities in supplying customers with the best products. Gigabye adheres to our practical and steadfast business philosophies to maximize the value of our brand in a sustainable manner.

3. Competition Niche; Advantageous and Disadvantageous Factors for the Prospects of Development; and Responding Strategies

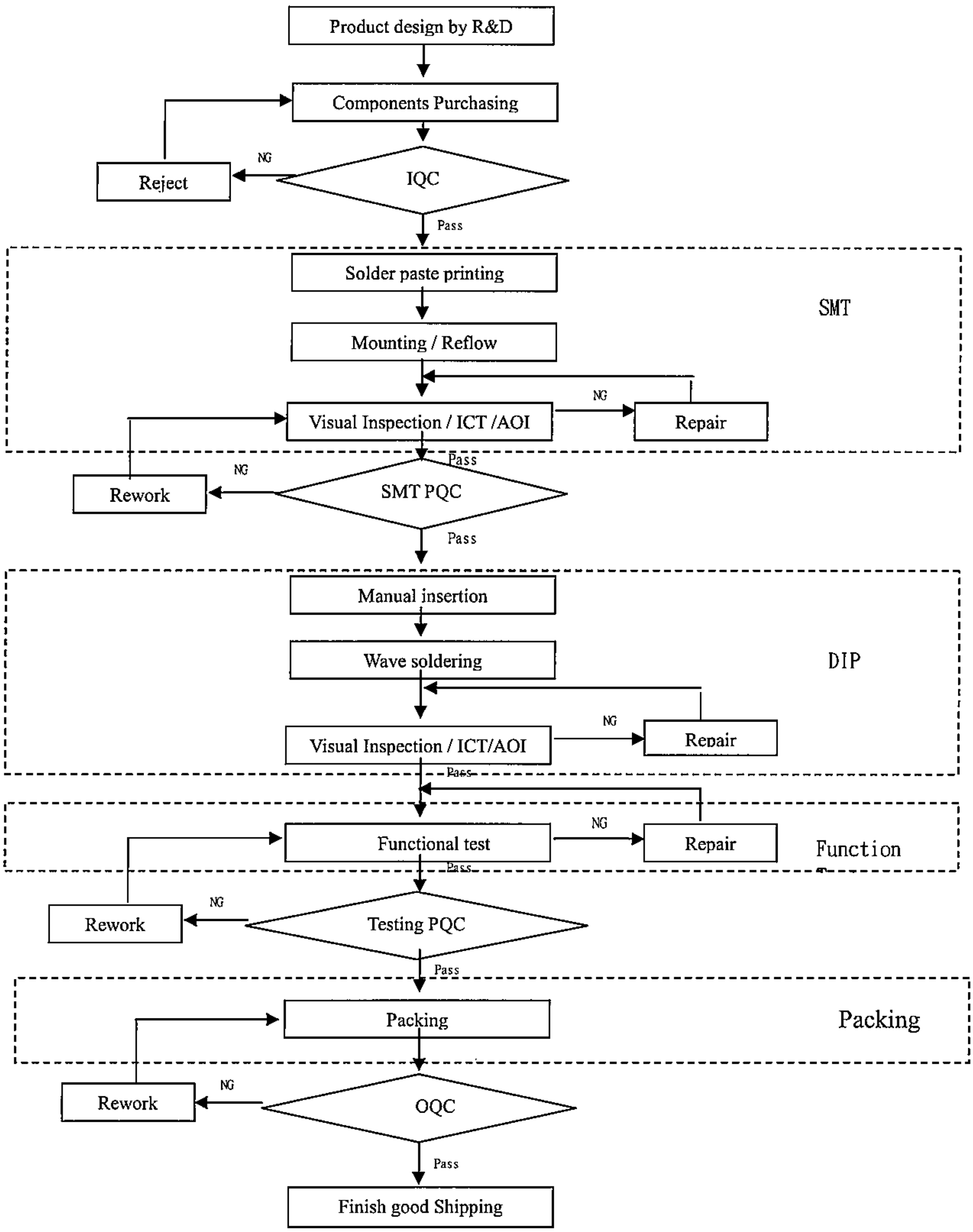
Advantageous Factors	
The Industry's Development and Prospect	● Intel, AMD, Nvidia are launching new platforms and offered new architecture, new functions, and greater capabilities. In addition, Gigabyte controls the R&D of critical technology and immerses itself in the market, estimating demand along with customers. We expect that sales growth is going to be significant. ● As a response to worldwide "green consciousness," Gigabyte's standards from components, material, manufacturing, recycle, to reuse have all been worldwide environmental protection regulations. We continue to develop energy and carbon emission reduction techniques. At the same time we increase the capability of our products, we also lower CO_2 emission, giving our products an edge in "green competition" and making our company the paradigm of green corporations. ● We continuously research and develop more diversified cutting-edge products. Aside from maintaining our lead in the market, we set new standards for products.
Industry Integration and Operational Environment	● Market development is heading towards diversification of product types and functions. Gigabyte could make full use of research and development and product advantages to secure advantageous positions in branding and marketing channels and solidify its leading position in the industry. ● Taiwan is the world leader in terms of market share for many PC components. Beneficial cluster effects of in the upstream of the supply chain provide Gigabyte a robust production capacity and good product quality. Division of labor and specialization has been perfected, giving Gigabyte an unparalleled competitive advantage. ● Environmental protection, energy efficiency, and sustainability have been the most popular topics in recent years. Gigabyte has been leading the push on green, energy-saving and carbon reducing high-tech products for many years. The continued breakthroughs and innovations by our brand has left a strong impression on our customers as well as recognition from international prizes and the media. We hope to establish Gigabyte as a green brand in the popular consciousness.

Disadvantageous Factors and Responding Strategies	
Impact on sales from fluctuations in exchange rates	Responding Strategies: ● Closely monitor fluctuations in currency exchange rates and adjusting our foreign currency holdings as necessary.
Growth of new generation devices and stagnation of PC growth	Responding Strategies: ● Aside from building deeper relationship with our existing customers and markets, we shall explore emerging markets and improve our quality and service. This way, we can maintain the lead of our existing products and the Company's profitability. ● Leverage our R&D advantage by focusing on product differentiation and value-adding cloud service applications. Make environmental protection and sustainability our core as well as customer praise and support our mission by releasing products that continue to win outside recognition for the world firsts they set.

(II) Primary use and production process of premium products:

1. The primary functions of premium products: motherboard and 3D graphic cards and quasi system, are primarily used as the "platform" for PC together with other components, and are indispensable key components of a PC. Server integrates the functions of e-mail, file management, firewall, and printer, providing simple and easy operation interface. This is a vital device indispensable for network installation.

2.Production Process:



(III) The supply of key materials:

Name of product	Name of key materials	Primary source of supply	
		Primary source of supply	Status
Mother board & Graphic card	Chipset & IC	INTEL	Stable
		NVIDIA	Stable
		AMD	Stable
	Other key components	GLOBAL BRANDS MANUFACTURE LTD.	Stable
		HONG HAI PRECISION CO., LTD.	Stable
		LOTES CO., LTD	Stable
		Promate Electronic CO., LTD	Stable

(IV) List of customers or suppliers representing more than 10% of the total purchase or sales in any of the last two years:

1. List of customers that have imported an annual total of at least 10% of Gigabyte's sales volume in either year of the last two years:

Unit: NTD 1,000

	2013				2014				2014 Q1			
No.	Name	Amount	Percentage to annual purchase (%)	Relationship with the Company	Name	Amount	Percentage to annual purchase (%)	Relationship with the Company	Name	Amount	Percentage to annual purchase (%)	Relationship with the Company
1	INTEL	8,383,630	19.58	None	INTEL	10,904,525	25.32	None	INTEL	2,565,460	24.59	None
	Other	34,439,751	80.42		Other	34,669,539	74.68		Other	8,307,253	75.41	
	Total purchase	42,823,381	100.00		Total purchase	45,574,064	100.00		Total purchase	10,872,713	100.00	

Given the Change in the product portfolios and market environment, there are Changes in the suppliers, buyers, amount and proportions to total purchase and sales.

2. List of buyers representing more than 10% of the total sales in any of the last two years: None.

(V) Production volume and value over the last two years:

Unit: 1,000 pieces; NTD million

Production volume and value / Product	2013			2014		
	Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
Motherboards	19,000	19,752	23,784	18,953	19,496	24,334
Others	5,047	5,437	15,661	5,651	6,199	20,607
Total	24,047	25,189	39,445	24,604	25,695	44,941

(VI) Sales volume and value over the last two years

Unit: 1,000 pieces; NTD million

Sales value and volume / Product	2013				2014			
	Domestic sales		Export		Domestic sales		Export	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Motherboards	401	783	19,210	28,914	366	708	19,010	30,599
Others		2,452		18,969		1,554		21,681
Total		3,235		47,883		2,262		52,280

Note: This table lists net sales

III.Profiles on employees over the last two years as of the date of publication

March 31, 2015

Year		2013	2014	2015 March 31
Number of employees	Line personnel	761	875	822
	Supporting personnel	1,999	1,952	1,972
	Total	2,760	2,827	2,794
Average age		35.4	36.6	37.0
Average year of service		7.13	7.47	7.95
Education (%)	Doctoral	0.15%	0.18%	0.15%
	Master	13.44%	13.21%	12.50%
	University	67.28%	67.61%	69.80%
	High school	14.13%	14.08%	13.00%
	High school below	5.00%	4.92%	4.55%

Source: Statistical data compiled by Gigabyte

IV.Information on environmental protection expenditure in the most recent year and up to the publication date of the annual report

(I) Losses and fines due to pollution in the most recent year: None.

(II) Future responding strategies and possible expenditure:

Our Company has long maintained our concern for issues such as environmental protection, sustainable development, etc. We did our best to promote various environmental protection measures. Aside from establishing environmental safety and health systems based on the Company's environment and occupational safety and health policies, the Company follows local environmental laws and guidelines at all its operational locations worldwide. The Company also promotes sustainable supply chain management. Beginning in 2010, the Company committed itself to environmental education for all employees. The Company adopted the "Green Vibe" plan, integrating various types of environmental knowledge into corporate risk management, green product design, green purchase, polluting waste reduction, logistics management, and sustainable development. As resources worldwide are exhausted by the day, the Company strives for sustainable development toward the future. Aside from compliance with international regulations such as Waste Electrical and Electronic Equipment Directive (WEEE), Restriction of Hazardous Substances Directive (RoHS), Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Energy-related Products Directive (ErP), Packaging and Packaging Waste Directive (PPW), and Battery Directive, we require "Fair Trade, Green Purchase" from our suppliers. We work with all of our suppliers to enforce the management of hazardous substances.

Food safety and environmental incidents have been all too common recently. This made us keenly aware that it takes more than Gigabyte doing the right thing on environmental and social issues. In 2012 we began conducting assessments on supply chain sustainability. Apart from assessing and advising our existing suppliers on quality, punctuality, service, cost and hazardous substance management, we also require suppliers to conform to the EICC and non-use of conflict minerals. At the same time, we publicly recognize suppliers for outstanding performance on CSR management, labor rights, supplier responsibility, environmental protection, fair trade and social contribution. We are therefore working with our supplier partners in pursuit of sustainable development and increased competitiveness.

Projected environmental protection spending three years ahead:

Currency: in NTD 1,000

	2013	2014	2015
A. The content of anti-pollution equipment planned to procure or spending	The Recycling of IT Waste Foundation, Kyoto Protocol, RoHS and WEEE required the reduction of emitting gaseous matters that cause the greenhouse effect, the reduction of using restricted substances and the recycling meChenism and related equipment.	1. Continue with ISO 14064 Greenhouse Gas Audit; Seek IECQ QC 080000, ISO14001, OHSA18001 certification. 2. Continue to introduce green design, green purchase, clean production, etc. 3. Engage in product life cycle and environment al impact studies. 4. Conduct product life cycle and environment al impact assessments.	1. Continue with ISO 14064 Greenhouse Gas Audit; Seek IECQ QC 080000, ISO14001, OHSA18001 certification. 2. Continue to introduce green design, green purchase and clean production. NT$18 million will be invested towards the updating of obsolete equipment and air-conditioning to reduce GHG emissions and energy in 2015 consumption. 3. Continue to conduct product life cycle and environmental impact assessments to reduce impact

	2013	2014	2015
			on the environment.
B. Expected improvement	Recycling of IT waste under WEEE (fee for recycling).	Begin with green products and resource saving; reduce the usage of resources; achieve sustainable development.	2014 GHG emissions were down 18240.68 tons (37.26%) compared to 2009, reducing on dependence on energy resources and environmental impact.
C. Amount - environmental protection spending - procurement of equipment for environmental protection process	29,350 0	30,817 -	31,919 -

(III) The Impact of Environmental-Protection-Related Expenditure on the Company:

1. Impact on Net Profit

Continuing to engage in green design and promote sustainable development is our Company's existing policy and also the trend worldwide. Our Company has taken the possible environmental impact into consideration at the design stage. Our approach is "reducing the environmental load." From the source to the user end, we use environmentally friendly design, including: Extending product life cycle and warranty duration; saving energy, eliminate toxin, recycle, material reduction, etc. We expect "fair trade, green purchase" from our supplier. Aside from providing reasonable purchase price and avoid the use of harmful substance by suppliers, we require that the products we purchase have to comply with our Company's Harmful Chemical Substances Requirements (HCSR) to reduce the possible risks that the product can bring, with a hope of reducing the damage done by harmful substance to humans and the environment. However, introducing green design and sustainable development did not increase our Company's production capacity. Instead, they reduce our Company's net profit. These measures, however, help ensure the products' market share and promote brand image.

2. Impact on our Status in the Competition

International trends on the environment and energy are worth the attention from corporations. Our Company not only actively seeks innovation in and introduce new environmental technology, but also require suppliers in the supply chain to comply with regulations on the environment, safety, labor rights, and workplace condition. Examples of new environmental technology include: Electricity saving; energy saving; alternative production processes when the production involves mercury, cadmium, lead, Hexavalent chromium, Polybrominated. Biphenyls, Polybrominated Diphenyl Ethers, PVC, and BFRs; Greenhouse gas reduction, banned material elimination and recycling implemented in compliance with Kyoto protocol, Restriction of Hazardous Substances Directive (RoHS), Waste Electrical and Electronic Equipment Directive (WEEE), Energy-related Products Directive (ErP), Packaging and Packaging Waste Directive (PPW), and Battery Directive, etc. Examples of labor rights standards include: "Conflict-Mineral-Free" policies; respect for the employees; fair treatment of employees; accountability toward the production process and the environment. Aside from increasing the competitive advantage of corporations, such awareness would be beneficial to the global market share of the nation's 3C industries and not reduce our competitiveness due to factors such as the environment and sustainable development.

3. Impact on the Company's Image

With the guidance from Industrial Development Bureau, Ministry of Economic Affairs and international certification agency (SGS), the Company introduced harmful substance process management system for electrical and electronic components and products (IECQ QC 080000). The Company promotes clean production process and is in line with global environmental trends. We have successfully accomplished the reduction, elimination, and recycle projects that are critical to our environment. We have published the "Gigabyte Sustainable Development Report" in both Chinese and English, reporting to all stakeholders Gigabyte's efforts and results in sustainable development. We shall continue with this goal without any pause.

(IV) Our Company's Committed Environmental Protection Expenditures and Our Response to EU Environmental Guidelines Are Listed as Follows:

1. Committed Significant Environmental Protection Expenditures:

(1) Our Company has passed ISO 14001 environmental management system certification, requiring first level suppliers to install environmental management systems. Currently, all first level suppliers of Gigabyte have earned the ISO 14001 certification and are striving for pollution prevention and clean production.

(2) In 2005, our company became the first system brand company in the world that received the IECQ QC 080000 standard certification. Our products went through a lead-free manufacturing process. We also introduced green material management system and established a green supply chain. Through Green Supply Chain Management (GSCM), we coordinated systematically with suppliers and connect ourselves to relevant standard evaluation and recognition processes. We effectively communicate with suppliers. We trace, manage, and even eliminate components that contain restricted or banned chemical substances.

(3) Our Company has passed the OHSAS 18001 audit and is committed to improve our Company's safety and health system. We aim to prevent and control the occurrence of accidents, delivering sustainable management with zero occupational hazard.

(4) The lifecycle carbon emission audit based on PAS 2050 carbon footprint standard has been completed for MD-300 Set-Top Box, one of our Company's Chennel sales products. The British Standard Institute (BSI) has issued a certificate of product carbon footprint verification for this audit engagement.

(5) Our Company promotes green design and recycling processes that are in compliance with all international environmental regulations.

(6) In 2013, we completed Taiwan's first sustainable ecology roof which became operational on Earth day. The roof testifies our dedication to saving our world. On the opening day, we invited neighboring communities (Jijing Community) as the first batch of visitors both as a token of gratitude for their long-term support and to satisfy their curiosity expressed during the construction of the ecological roof. Covering the roof with greenery provides multiple functions such as improved heat insulation, cooling, absorption of carbon dioxide, and improved diversity for urban habitat. The roof also gave our employees a place to rest and relax and serves as a green zone where people and nature can coexist, improving the happiness index of our employees by helping them achieve physical and spiritual equilibrium.

5 Major Themes of G-HOME

- Sustainable Zone: Green innovation sustainable development, and support for the younger generation for continual development.
- Organic farmland: Urban farming for the sharing of joy; organic food to achieve internal environmentalism.
- Entertainment zone: Enjoyable pace of life with sustainable health, walkways, and healthy experience.
- Spiritual zone: Realize your potentials, spiritual and mental growth, stress relief, and collaborative achievements.
- Ecological zone: Clean technology, sustainable development, biodiversity, and natural harmony

2. The Company sell its products directly and indirectly to EU, or areas governed by RoHS.
3. The compliance of the Company with RoHS is 100%.
4. The Company has been granted by the following companies or agencies the green product accreditation on environmental protection and ODM customer accreditation rate: 100%.

(1) The first company in Taiwan being accredited the SGS IECQ QC080000 RoHS green product.

(2) Approved by MOEA for a grant for supervision in Green Project in 2006, and complete the establishment and adaptation of GP system in 2007.

(3) Recognition by international giant firms: Lenovo (IBM), Fujitsu, Hitachi, NEC, Toshiba, Samsung, LG, Acer, HP.

(4) Equipment, production process, inspection standards and points of control are in place. There are also the ODM Mass Production and inspection for delivery locations with yield rate meeting the requirements of the customers.

(5) By the end of Q1 2006, the Company has attuned to full compliance with RoHS and has met the requirement of EU as early as July 2006.

(6) Complete the process and product evaluation of Halogen Free in 2008 to respond to the requirement of future environment protection law.

(7) As global warming becomes more and more serious, the EU has unveiled its newest target for greenhouse gas reduction in the following statement: *carbon dioxide emissions by 2020 should be reduced to 20% of 1990 levels,*

and increase renewable energy sources proportion to 20%. Hence, since 2009, Gigabyte has begun undergoing ISO 14064 greenhouse gas inventory check. By July 2010, we have completed greenhouse gas emission checks for 2007-2009 at our Xindian Headquarters and Nanping Plant. In 2009, the checks were performed at Dongguan Gigabyte Electronics Co., Ltd. and Ningbo Gigabyte Co., Ltd., with results of 2007 and 2009 designated as the standard reference and objectives for Taiwan and Mainland China sites respectively. In 2013, the total greenhouse gas emission of the Gigabyte Group was 32,554.65 tons, which was 16,402.49 tons less than the 48,957.14 tons produced in 2009, representing a 33.5% decrease from internal activities. In other words, we have already achieved the EU 2020 target ahead of schedule, which led to a readjustment of our targets in 2013: "By 2020, the Gigabyte Group will reduce its carbon emissions from internal activities by 40% compared to the baseline year of 2009". In the future, the Gigabyte Group shall continue to strive for carbon reduction and contribute to the efforts of saving our planet.

(8) As the first company in the world, we passed the third-party certification (BSI) of carbon footprint inventory with our STB (MD-300) according to PAS2050 on September 29, 2010. We also cooperated with 15 suppliers to arrange carbon footprint and inventory training for (raw) materials with the purpose of understanding the impact of the product on the environment at each phase of its life cycle. We also hope to build a basic database and use it as a basis for the development of green products to reduce impact on the environment and fulfill our responsibility to society.

(9) After launching the "Green Movement Plan" in 2010, Gigabyte organized more than 40 celebrity lectures, environment education classes, outdoor environmental experiences and charity events attended by more than 10,000 people. Through the activities, employees' environmental awareness as well as the knowledge, attitudes and skills required for environmental protection can be enhanced and incorporated into their work and everyday life. The Green Movement Plan represents the new Gigabyte culture, promotes the concept of Eco-Design to all employees, creates new value from green products and supports the search for sustainable business and environmental development.

(10) Gigabyte sponsored "Green· Product Innovation - Innovation · Value · Sustainability." The theme of the activity is "Going green is free." The Company encourages employees to design green products with "Innovation, Value, Sustainability" features, proving that green design does not cost much, as long as the approach and mindset are correct!

V.Labor-Management Relation in the most recent year until the date this report is printed

(I) The status of employee welfare, continuing education, training, retirement system and others, and the agreement between the labor and the management and protection of employee benefits and rights:

1. Employee insurance:

In addition to labor insurance and health insurance for employees and their dependents, we take out group insurance for each employee including life insurance, accident insurance, hospitalization insurance and medical payment for accidents and cancer as well as overseas travel insurance to protect the lives of employees and their families.

2. Annual wage adjustment and bonus:

The wage adjustment will be implemented in accordance with annual price index, the wage adjustment ratio of the civil servant, the wage adjustment standard in the industry and the performance appraisal result. In addition, there is a bonus when sales targets are achieved.

3. Holiday bonuses

Gigabyte provides employees with holiday bonuses ever Duanwu Festival and Mid-autumn Festival as well as end-of-year bonuses before the Chinese Lunar New Year.

4. Fringe benefits provided by the employee welfare committee

The employee welfare committee of the Company is organized under law and by elected representatives of the employees. They will be responsible for the planning and execution of employee welfare. Examples are the organization for local and overseas traveling trips, gifts for the three major festivals, birthday gift vouchers, subsidized for matrimonial, celebration and funeral occasions, scholarships for the children of employees, special offers by participating shops, recreation and entertainments, social functions, language training programs, and the Company will subsidize employees in taking local or overseas trips for pleasure. The amount of subsidy will vary with the years of service

5. Training and development of employees: according to the training system of the career development

Develop training development system using core career as mainstream and emphasis on the cultivation of professional management, at the same time, host arts and humanity seminars irregularly to widen employees' views and balance out career and life. Establish e-learning platform to provide an irregular learning environment. Our scheduled training includes educational training for newcomers, professional management training, pre career training, specialized skill training, product enhancement training, general training, English language lesions and e-learning program.

6. Employee stock ownership program

Since 2010, Gigabyte has provided stock ownership for employees above a certain rank. These employees may convert a percentage of their monthly salaries or bonuses to a trust to acquire company shares. Gigabyte will also provide additional funds for encouragement so that employees can also benefit from the Company's profits and strengthen the loyalty and bond with the employees.

7. Employee share subscription warrant

Since 2007, Gigabyte has implemented a program for employee share subscription warrants, allocating share subscription warrants to employees based on their performance and contributions to this company so that they may also benefit from the Company's profits.

8. Reward for innovation

Any new idea for positive contribution to the Company proposed by employees will be rewarded, including management, marketing planning, research and development and production.

9. Feedback:

The opinion of staff is important. Therefore, the suggestion box and message board are used to find out the opinion of staff on the management system, executive leadership, welfare system and work environment for good labor relations. There has never been a labor dispute in the history of our company.

10. After July 2005, the employer contributes labor pension that is six percent of monthly wages of the employee into the individual account of the employee at Labor Insurance Bureau due the change in policy that requires individual retirement account. The retirement system of the Company has been instituted in accordance with the Labor Standards Law. The Company hires an actuarial expert to work on the job, and appropriate 2% to 15% of the total salaries disbursed for each month as a contribution to the pension fund liability at the approval of the Taipei County Government. Such contribution, which is 2% for current period, will be deposited at the trustee account at the Bank of Taiwan under the title of the Pension Fund Supervisory Committee.

(II) Loss caused by labor-management dispute in the most recent year until the date this report is printed, the estimated amount of loss in the future, and measures to deal with the problem: The labor-management relation has been harmonious since the establishment of the Company in 1986. No loss has ever been inflicted from this cause.

VI.Major agreements

(I) Agreements expiring within one year: None.

(II) Agreements still in force:

Type of contract	Contracting parties	Term of agreements	Content	Restriction
License Agreement	QUALCOMM Incorporated	2006/7/21- indefinite	Use of software	Prohibition on assignment of rights
License Agreement	Siemens Aktiengesellschaft	2008/2/25- expiry of every patent	Patent authorization	Prohibition on assignment of rights
License Agreement	PINREX TECHNOLOGY CORP.	From 2008/8/15 until end of production of the specific product	Patent authorization	Prohibition on assignment of rights
License Agreement	LOTES Co., Ltd.	From 2008/8/8 until end of production of the specific product	Patent authorization	Prohibition on assignment of rights
License Agreement	AUDIO MPEG and SISVEL	2009/01/01 – expiry of every patent.	Patent authorization	Prohibition on assignment of rights
License Agreement	AFTG-TG & Phillip Adams	2011/05/03 - indefinite	Patent authorization & Covenant Not To Sue	Covenant Not To Sue & Retroactive downstream manufacturers

Six. Financial Position

I. Condensed balance sheet, income statement and auditors' opinions covering the period of last five years

(1) Condensed Balance Sheet and Statement of Comprehensive Income -IFRS

Condensed Balance Sheet (Entity) - IFRS

Unit: NT$1000

Item \ Year		Financial information covering the last five years (Note1)		
		2012	2013	2014
Current assets		18,943,538	18,647,719	20,338,014
Property, plant and equipment(Note2)		2,175,990	2,148,656	2,237,019
Intangible assets		53,716	26,050	33,245
Other assets(Note2)		8,518,820	10,754,450	10,355,510
Total assets		29,692,064	31,576,875	32,963,788
Current liabilities	Cum-dividend	8,990,191	9,337,813	9,993,677
	Ex-dividend	10,242,644	11,218,282	Not distributed yet
Non-current liabilities		402,096	400,377	410,009
Total liabilities	Cum-dividend	9,392,287	9,738,190	10,403,686
	Ex-dividend	10,644,740	11,618,659	Not distributed yet
Equity attributable to owners of the parent		20,299,777	21,838,685	22,560,102
Equity		6,258,914	6,265,714	6,288,829
Capital surplus		4,585,372	4,587,562	4,592,155
Retained earnings	Cum-dividend	9,603,315	10,718,290	11,243,132
	Ex-dividend	8,350,862	8,837,821	Not distributed yet
Other Equit		-147,824	267,119	435,986
Treasury stock		0	0	0
Non control Equit		0	0	0
Total equity	Cum-dividend	20,299,777	21,838,685	22,560,102
	Ex-dividend	19,047,324	19,958,216	Not distributed yet

* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: Years during which the financial statements have not been audited by CPAs should be noted.

Note 2: If the Company has performed asset revaluation in the current year, the Company should state the date when the revaluation was performed and the revaluation gain amount.

Note 3: The figures after the aforementioned distribution are based on the shareholders' meeting resolution in the following year.

Note 4: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

Condensed Consolidated Profit and Loss Statement (Entity) - IFRS

Unit: 1000 NTD

Item \ Year	Financial Information covering the last five years (Note 1)		
	2012	2013	2014
Revenue	42,142,326	46,717,780	50,505,531
Gross profit	6,326,427	7,213,403	7,702,355
Operating income	1,446,629	1,941,156	1,893,744
Non-operating income & expenses	222,920	691,000	927,704
Pre-tax profit	1,669,549	2,632,156	2,821,448
Net Income from continuing operations	–	–	–
Earning of discontinued operation	–	–	–
Net income (loss)	1,548,707	2,355,536	2,397,101
Other comprehensive income (net after tax)	-263,882	426,835	177,076
Total comprehensive income for the period	1,284,825	2,782,371	2,574,177
Net profit attributable to owner of parent	1,548,707	2,355,536	2,397,101
Net profit attributable to non-controlling interests	0	0	0
Total comprehensive income attributable to owner of parent	1,284,825	2,782,371	2,574,177
Total comprehensive income attributable to non-controlling interests	0	0	0
EPS ($)	2.48	3.76	3.82

* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited the consolidated financial information in previous years referred to above.

Note 2: Losses from discontinued units are shown as net earnings after deduction of income tax.

Note 3: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

Condensed Balance Sheet（Consolidated）- IFRS

Unit: 1000 NTD

Item \ Year		Financial information covering the last five years (Note 1)			Financial information as of March 31, 2015 (Note 3)
		2012	2013	2014	
Current assets		24,134,968	27,198,448	26,841,912	27,170,324
Property, plant and equipment(Note2)		4,411,796	4,212,396	4,231,520	4,153,100
Intangible assets		83,839	45,002	49,730	43,540
Other assets(Note2)		2,005,242	3,541,556	2,569,464	2,269,171
Total assets		30,635,845	34,997,402	33,692,626	33,636,135
Current liabilities	Cum-dividend	9,901,457	12,680,871	10,653,629	10,261,671
	Ex-dividend	11,153,910	14,561,340	Not distributed yet	Not distributed yet
Non-current liabilities		425,814	466,829	460,883	449,766
Total liabilities	Cum-dividend	10,327,271	13,147,700	11,114,512	10,711,437
	Ex-dividend	11,579,724	15,028,169	Not distributed yet	Not distributed yet
Equity attributable to owners of the parent		20,299,777	21,838,685	22,560,102	22,906,283
Equity		6,258,914	6,265,714	6,288,829	6,290,129
Capital surplus		4,585,372	4,587,562	4,592,155	4,601,325
Retained earnings	Cum-dividend	9,603,315	10,718,290	11,243,132	11,667,000
	Ex-dividend	8,350,862	8,837,821	Not distributed yet	Not distributed yet
Other Equit		-147,824	267,119	435,986	347,829
Treasury stock		0	0	0	0
Non control Equit		8,797	11,017	18,012	18,415
Total shareholder's equity	Cum-dividend	20,308,574	21,849,702	22,578,114	22,924,698
	Ex-dividend	19,056,121	19,969,233	Not distributed yet	Not distributed yet

* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: Years during which the financial statements have not been audited by CPAs should be noted.

Note 2: If the Company has performed asset revaluation in the current year, the Company should state the date when the revaluation was performed and the revaluation gain amount.

Note 3: CPAs have reviewed the consolidated financial information in the current quarter referred to above.

Note 4: The figures after the aforementioned distribution are based on the shareholders' meeting resolution in the following year.

Note 5: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

Condensed Consolidated Profit and Loss Statement (Entity) - IFRS

Unit: 1000 NTD

Item \ Year	Financial information covering the last five years (Note 1)			Financial information as of March 31, 2015 (Note 2)
	2012	2013	2014	
Revenue	45,797,658	51,118,994	54,541,687	12,906,752
Gross profit	7,879,492	9,149,206	9,468,383	2,490,282
Operating income	1,230,772	1,804,169	1,805,536	349,892
Non-operating income & expenses	542,080	928,188	1,138,810	209,788
Pre-tax profit	1,772,852	2,732,357	2,944,346	559,680
Net Income from counting operations	–	–	–	–
Earning of discontinued operation	–	–	–	–
Net income(loss)	1,550,622	2,359,480	2,399,805	424,271
Other comprehensive income(net of tax)	-263,882	426,835	177,076	(88,157)
Total comprehensive income for the period	1,286,740	2,786,315	2,576,881	336,114
Net profit attributable to owner of parent	1,548,707	2,355,536	2,397,101	423,868
Net profit attributable to non-controlling interests	1,915	3,944	2,704	403
Total comprehensive income attributable to owner of parent	1,284,825	2,782,371	2,574,177	335,711
Total comprehensive income attributable to non-controlling interests	1,915	3,944	2,704	403
EPS ($)	2.48	3.76	3.82	0.67

* If the Company compiles financial statements on an entity basis, the Company should additionally compile the entities' condensed balance sheets and consolidated profit & loss statements for the last 5 years.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited the consolidated financial information in previous years referred to above.

Note 2: CPAs have reviewed the consolidated financial information in the current quarter referred to above

Note 3: Losses from discontinued units are shown as net earnings after deduction of income tax.

Note 4: If the financial information have been revised or compiled as directed by the competent authorities, list the amended or re-compiled data with clear annotations and explanation.

(2) Condensed Balance Shseet and Profit & Loss Statement - ROC GAAP

Condensed Balance Sheet (Entity)-ROC GAAP

Unit: 1000 NTD

Item \ Year		Financial information covering the last five years (Note)		
		2010	2011	2012
Current assets		19,498,687	18,176,145	19,146,521
Funds and long-term investments		8,305,720	8,106,161	8,007,150
Fixed assets		1,997,169	2,096,951	2,175,990
Intangible assets		—	33,551	53,716
Other assets		268,819	466,131	310,158
Total assets		30,070,395	28,878,939	29,693,535
Current liabilities	Cum-dividend	9,500,125	7,982,473	8,939,074
	Ex-dividend	11,093,303	9,231,118	10,191,527
Long-term liabilities		—	—	—
Other liabilities		204,950	177,494	168,000
Total liabilities	Cum-dividend	9,705,075	8,159,967	9,107,074
	Ex-dividend	11,298,253	9,408,612	10,359,527
Equity		6,346,104	6,383,064	6,258,914
Capital surplus		4,666,644	4,688,029	4,588,342
Retained earnings	Cum-dividend	9,094,034	9,070,042	9,272,527
	Ex-dividend	7,500,856	7,821,397	8,020,074
Unrealized revaluation gain		5,382	5,382	5,382
Unrealized loss from long-term investment in equity		-7,168	2,675	-10,466
Conversion adjustment		260,324	630,692	471,762
Unrecognized net loss as pension cost		—	—	—
Treasury stock		—	-60,912	—
Total shareholder's equity	Cum-dividend	20,365,320	20,718,972	20,586,461
	Ex-dividend	18,772,142	19,470,327	19,334,008

Note:The financial information in previous years referred to above was prepared in accordance with ROC GAAP and audited by CPAs.

Condensed Profit & Loss Statement (Entity) - ROC GAAP

Unit: 1000 NTD

Item \ Year		Financial information covering the last five years (Note 1)		
		2010	2011	2012
Revenue		49,250,250	42,633,411	42,142,326
Gross profit		7,235,028	6,660,721	6,325,618
Operating income		1,695,269	1,532,039	1,446,230
Non-operating income		784,117	815,129	308,461
Non-operating expenses (Note 2)		49,356	416,148	81,279
EBT of sustained operation		2,430,030	1,931,020	1,673,412
Earning (loss) of sustained operation		2,103,564	1,569,187	1,552,570
Earning of discontinued operation		–	–	–
Contingent earning		–	–	–
Effect of Change in accounting principle		–	–	–
Earning current period		2,103,564	1,569,187	1,552,570
EPS ($)	Cum-dividend	3.29	2.46	2.48
	Ex-dividend	3.29	2.46	2.48

Note 1: The financial information in previous years referred to above was prepared in accordance with ROC GAAP and audited by CPAs.

Note 2: There has been no capitalized interest in the most recent five years.

Condensed Profit & Loss Statement (Entity) - ROC GAAP

Unit: 1000 NTD

Item \ Year		Financial information covering the last five years (Note 1)		
		2010	2011	2012
Current assets		24,204,522	22,906,216	24,361,064
Funds and long-term investments		1,832,302	1,493,774	1,445,453
Fixed assets		4,269,250	4,609,170	4,411,796
Intangible assets		52,960	67,911	136,601
Other assets		326,489	446,839	275,833
Total assets		30,685,523	29,523,910	30,630,747
Current liabilities	Cum-dividend	9,984,632	8,513,425	9,844,111
	Ex-dividend	11,577,810	9,762,070	11,096,564
Long-term liabilities		–	–	–
Other liabilities		284,099	282,188	191,378
Total liabilities	Cum-dividend	10,268,731	8,795,613	10,035,489
	Ex-dividend	11,861,909	10,044,258	11,287,942
Equity		6,346,104	6,383,064	6,258,914
Capital surplus		4,666,644	4,688,029	4,588,342
Retained earnings	Cum-dividend	9,094,034	9,070,042	9,272,527
	Ex-dividend	7,500,856	7,821,397	8,020,074
Unrealized revaluation gain		5,382	5,382	5,382
Unrealized loss from long-term investment in equity		-7,168	2,675	-10,466
Conversion adjustment		260,324	630,692	471,762
Unrecognized net loss as pension cost		–	–	–
Treasury stock		–	-60,912	–
Minority shareholdings		51,472	9,325	8,797
Shareholder Equity	Cum-dividend	20,410,792	20,728,297	20,595,258
Total Equity	Ex-dividend	18,823,614	19,479,652	19,342,805

Note: The financial information in previous years referred to above was prepared in accordance with ROC GAAP and audited by CPAs.

Condensed Profit & Loss Statement (Consolidated) - ROC GAAP

Unit: 1000 NTD

Item / Year		Financial information covering the last five years (Note 1)		
		2010	2011	2012
Revenue		55,834,316	45,447,984	45,797,658
Gross profit		9,189,817	8,358,129	7,881,590
Operating income		1,391,698	1,035,589	1,233,921
Non-operating income		1,181,565	1,154,387	570,036
Non-operating expenses (Note 2)		122,485	202,302	27,242
EBT of sustained operation		2,450,778	1,987,674	1,776,715
Earning (loss) of sustained operation		2,099,779	1,552,060	1,554,485
Earning of discontinued operation		–	–	–
Contingent earning		–	–	–
Effect of Change in accounting principle		–	–	–
Consolidated total income		2,099,779	1,552,060	1,554,485
Consolidated net income		2,103,564	1,569,187	1,552,570
Minority interest income		-3,785	-17,127	1,915
EPS ($)	Cum-dividend	3.29	2.46	2.48
	Ex-dividend	3.29	2.46	2.48

Note 1: The financial information in previous years referred to above was prepared in accordance with ROC GAAP and audited by CPAs.

Note 2: There has been no capitalized interest in the most recent five years.

(III) Name of Public Accountants in the last five years and opinions:

Year	Public auditors	Opinion
2010	Chen Mei-Chi; Lin, Se-Kai(Note 1)	Modified unqualified
2011	Chen Mei-Chi; Lin, Se-Kai	Modified unqualified
2012	Xiao, Chun-Yuan; Lin, Se-Kai(Note 2)	Modified unqualified
2013	Xiao, Chun-Yuan; Lin, Se-Kai	Modified unqualified
2014	Xiao, Chun-Yuan; Lin, Se-Kai	Modified unqualified

Note 1: There has been reorganization of the PWC Public Accountants. Therefore, Wu, Yu-Long, CPA and Lin, Se-Kai, CPA were reassigned, and Chen Mei-Chi, CPA and Lin, Se-Kai, CPA were assigned as the public auditors to the Company in 2010

Note 2: There has been reorganization of the PWC Public Accountants. Therefore, Chen Mei-Chi, CPA and Lin, Se-Kai, CPA were reassigned, and Xiao, Chun-Yuan, CPA and Lin, Se-Kai, CPA were assigned as the public auditors to the Company in 2012.

II. Financial analysis for the past five years

(1) Financial Analysis (Entity) - IFRS

Subject (Note 3) \ Year (Note 1)		Financial analysis for the past five years		
		2012	2013	2014
Financial structure	Liabilities to assets ratio (%)	31.63	30.84	31.56
	Long-term capital to Property, plant and equipment ratio (%)	951.38	1035.02	1,026.82
Ability to repay debt	Current ratio (%)	210.71	199.70	203.51
	Quick ratio (%)	122.09	112.30	113.20
	Debt service coverage ratio	4,882.55	3,548.21	4,695.42
Utility	A/R turnover (time)	9.50	9.67	10.11
	Average days of payment	38	38	36
	Inventory turnover (time)	5.27	5.11	5.09
	A/P turnover (time)	6.14	6.57	7.60
	Average daily sales	69	71	72
	Property, plant and equipment turnover (time)	19.73	21.61	23.03
	Total assets turnover (time)	1.44	1.53	1.57
Profitability	Return on Assets (%)	5.29	7.69	7.43
	Return on equity (%)	7.59	11.18	10.80
	Net income before tax as a percentage of paid-in capital (%) (Note 7)	26.67	42.01	44.86
	Net profit rate (%)	3.67	5.04	4.75
	EPS ($)	2.48	3.76	3.82
Cash flow	Cash flow ratio (%)	13.36	17.20	23.50
	Cash flow adequacy ratio (%)	118.78	106.00	92.86
	Cash reinvestment ratio (%)	-0.21	1.48	1.90
Leverage	Operation leverage	1.18	1.15	1.16
	Financial leverage	1.00	1.00	1.00

Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more)

1. Ability to repay debt: The increase in debt service coverage ratio compared to the previous year due to a decrease in financial interest costs.
2. Cash flow: Profit growth led to an increase in cash income for this period. Limited investment in equipment led to an increase in cash reinvestment ratio.

* If the Company compiles financial statements on an entity basis, the Company should compile a separate financial analysis for each entity.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited financial information for the years listed above.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the current year financial information as of the quarter before the publication date of the annual report in the analysis.

Note3: The equation for calculation shall be stated at the end of this table in the annual report.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/ total assets.
   (2) Long-term capital to Property, plant and equipment ratio = (Gloss shareholder's equity + Non-current liabilities)/ Net Property, plant and equipments.
2. Ability to repay debt
   (1) Current ratio = current assets/current liabilities
   (2) Quick ratio = (current assets- inventory – prepayments)/current liabilities
   (3) Debt service coverage ratio=EBIT/interest expense for current period.
3. Utility
   (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/average balance of account receivable (including account receivable and note receivable from operation).
   (2) Average daily payment=365/account receivable turnover
   (3) Inventory turnover= cost of goods sold/average inventory
   (4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/average balance of account payable (including account payable and note payable from operation).
   (5) Average daily sales = 365/inventory turnover
   (6) Property, plant and equipments turnover = net sales /Average Net Property, plant and equipments .
   (7) Total assets turnover = net sales/ Average total assets.
4. Profitability
   (1) Return on Assets = [Earning + interest expenses x (1-tax rate)]/average total assets.
   (2) Return on Equity = Earning /average net equity
   (3) Net profit rate = Earning/net sales
   (4) Earning per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighed average number of outstanding shares (Note 4).
5. Cash Flow
   (1) Cash flow ratio = (net sales – variable cost and expenses from operation)/operating income.
   (2) Cash flow adequacy ratio = net cash flow from operation over the last five years/(capital spending +addition to inventory + cash dividend) over the last five years.
   (3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other Non-current assets + working capital) (Note 5).
6. Leverage:
   (1) Operation leverage= (net sales – variable cost and expenses from operation)/operating income (Note 6).
   (2) Financial leverage= operating income/(operating income-operating expenses).

Note 4. While evaluating the formulas for EPS mentioned above, the following factors must be taken into consideration:

1. The number of common shares shall be based on the weighed average method and not the outstanding shares as of the end of the year.
2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighed average number of outstanding shares.
3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.

4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.

Note 5: When conducting analysis on cash flow, pay attention to the followings:

1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
2. Capital spending shall be referred to cash outflow for capital investment each year.
3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decease in inventory, put a zero.
4. Cash dividend includes cash dividend for common and preferred stocks.
5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.

Note 6: The securities issuer should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.

Note 7: If the stocks of the Company do not have par value of have par values other than NT$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

Financial Analysis（Consolidated）- IFRS

Subject (Note 3)		Year（Note 1）Financial analysis for the past five years: 2012	2013	2014	Financial analysis as of March 31, 2015 (Note 2)
Financial structure	Liabilities to assets ratio (%)	33.71	37.57	32.99	31.85
	Long-term capital to Property, plant and equipment ratio (%)	469.78	529.52	544.04	562.38
Ability to repay debt	Current ratio (%)	243.75	214.48	251.95	264.77
	Quick ratio (%)	158.62	123.59	161.03	159.11
	Debt service coverage ratio	753.31	105.49	160.17	1,465.96
Utility	A/R turnover (time)	10.88	9.82	9.45	8.42
	Average days of payment	34	37	39	43
	Inventory turnover (time)	5.27	5.29	5.23	4.45
	A/P turnover (time)	6.67	7.07	8.20	7.84
	Average daily sales	69	69	70	82
	Property, plant and equipment turnover (time)	10.15	11.85	12.92	12.34
	Total assets turnover (time)	1.52	1.56	1.59	1.53
Profitability	Return on Assets (%)	5.16	7.26	7.02	5.04
	Return on equity (%)	7.60	11.20	10.80	7.46
	Net income before tax as a percentage of paid-in capital (%) (Note 7)	28.33	43.61	46.82	35.59
	Net profit rate (%)	3.39	4.62	4.39	3.28
	EPS ($)	2.48	3.76	3.82	0.67
Cash flow	Cash flow ratio (%)	15.71	14.22	26.72	-4.93
	Cash flow adequacy ratio (%)	143.97	128.03	131.46	97.58
	Cash reinvestment ratio (%)	1.25	2.09	3.55	-1.84
Leverage	Operation leverage	1.54	1.39	1.38	1.55
	Financial leverage	1.00	1.01	1.01	1.00

Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more)

1. Ability to repay debt: The increase in debt service coverage ratio compared to the previous year due to a decrease in financial interest costs.
2. Cash flow: Profit growth led to an increase in cash income for this period. Limited investment in equipment led to an increase in cash reinvestment ratio.

* If the Company compiles financial statements on an entity basis, the Company should compile a separate financial analysis for each entity.

* For companies that have adopted IFRSs for less than five years, the companies should also compile the following table (2) under ROC GAAP.

Note 1: CPAs have audited financial information for the years listed above.

Note 2: Publicly traded companies or companies whose stocks are traded over the counter of securities dealers should also include the current year financial information as of the quarter before the publication date of the annual report in the analysis.

Note3: The equation for calculation shall be stated at the end of this table in the annual report.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/ total assets.
   (2) Long-term capital to Property, plant and equipment ratio = (Gloss shareholder's equity + Non-current liabilities)/ Net Property, plant and equipments.
2. Ability to repay debt
   (1) Current ratio = current assets/current liabilities
   (2) Quick ratio = (current assets- inventory – prepayments)/current liabilities
   (3) Debt service coverage ratio=EBIT/interest expense for current period.
3. Utility
   (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/average balance of account receivable (including account receivable and note receivable from operation).
   (2) Average daily payment=365/account receivable turnover
   (3) Inventory turnover= cost of goods sold/average inventory

(4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/average balance of account payable (including account payable and note payable from operation).
(5) Average daily sales = 365/inventory turnover
(6) Property, plant and equipments turnover = net sales /Average Net Property, plant and equipments .
(7) Total assets turnover = net sales/ Average total assets.

4. Profitability
(1) Return on Assets = [Earning + interest expenses x (1-tax rate)]/average total assets.
(2) Return on Equity = Earning /average net equity
(3) Net profit rate = Earning/net sales
(4) Earning per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighed average number of outstanding shares (Note 4).

5. Cash Flow
(1) Cash flow ratio = (net sales – variable cost and expenses from operation)/operating income.
(2) Cash flow adequacy ratio = net cash flow from operation over the last five years/(capital spending +addition to inventory + cash dividend) over the last five years.
(3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other Non-current assets + working capital) (Note 5).

6. Leverage:
(1) Operation leverage= (net sales – variable cost and expenses from operation)/operating income (Note 6).
(2) Financial leverage= operating income/(operating income-operating expenses).

Note 4. While evaluating the formulas for EPS mentioned above, the following factors must be taken into consideration:
1. The number of common shares shall be based on the weighed average method and not the outstanding shares as of the end of the year.
2. Where there may be additional capital raised from the issuance of new shares or may be treasury shares trade, the outstanding period of the shares shall be considered in calculating the weighed average number of outstanding shares.
3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earning per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not being paid out) should be deducted from earning or added to earning. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after taxation, no adjustment is required.

Note 5: When conducting analysis on cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
2. Capital spending shall be referred to cash outflow for capital investment each year.
3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decease in inventory, put a zero.
4. Cash dividend includes cash dividend for common and preferred stocks.
5. The gross amount of property, plant, and equipment is the total balance of property, plant, and equipment before subtracting accumulated depreciation.

Note 6: The securities issuer should classify operating costs and operating expenses as fixed or variable. If estimates or subjective judgment is involved in such classification, the accounting staff must pay attention to the reasonableness and maintain the consistency of such classification.

Note 7:If the stocks of the Company do not have par value of have par values other than NT$10, the calculation of percentage of paid-in capital is calculated with the ratio of equity attributable to the parent company in the balance sheet.

(2)Financial Analysis - ROC GAAP (Entity)

Subject (Note 2) \ Year (Note 1)			Financial Analysis covering the last five years		
			2010	2011	2012
Financial structure	Liabilities to assets ratio (%)		32.27	28.26	30.67
	Long-term capital to fixed assets ratio (%)		1019.71	988.05	946.07
Ability to repay debt	Current ratio (%)		205.25	227.70	214.19
	Quick ratio (%)		116.40	147.13	130.61
	Debt service coverage ratio		5,000.89	8,114.36	4,893.85
Utility	A/R turnover (time)		10.12	8.59	9.50
	Average days of payment		36	42	38
	Inventory turnover (time)		5.01	5.01	5.27
	A/P turnover (time)		6.29	6.11	6.14
	Average daily sales		73	73	69
	Fixed assets turnover (time)		24.14	20.83	19.73
	Total assets turnover (time)		1.62	1.45	1.44
Profitability	Return on Assets (%)		6.92	5.32	5.30
	Return on equity (%)		10.30	7.64	7.52
	Ratio to be paid in capital (%)	Operating income	26.71	24.00	23.11
		EBT	38.29	30.25	26.74
	Net profit rate (%)		4.27	3.68	3.68
	EPS ($)	Cum-dividend	3.29	2.46	2.48
		Ex-dividend	3.29	2.46	2.48
Cash flow	Cash flow ratio (%)		51.37	56.45	13.43
	Cash flow adequacy ratio (%)		86.52	117.25	128.53
	Cash reinvestment ratio (%)		14.61	12.77	-0.21
Leverage	Operation leverage		1.19	1.22	1.18
	Financial leverage		1.00	1.00	1.00

Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more)
Cash flows: Not applicable.

(2)Financial Analysis - ROC GAAP (Consolidated)

Subject (Note 2)			Year (Note 1): Financial Analysis covering the last five years 2010	2011	2012
Financial structure	Liabilities to assets ratio (%)		33.46	29.79	32.76
	Long-term capital to fixed assets ratio (%)		484.88	455.84	471.16
Ability to repay debt	Current ratio (%)		242.42	269.06	247.47
	Quick ratio (%)		149.80	180.47	166.66
	Debt service coverage ratio		489.52	631.44	754.95
Utility	A/R turnover (time)		8.69	8.21	8.06
	Average days of payment		42	44	45
	Inventory turnover (time)		5.27	4.73	5.11
	A/P turnover (time)		7.26	6.70	6.67
	Average daily sales		69	77	71
	Fixed assets turnover (time)		12.46	10.24	10.15
	Total assets turnover (time)		1.78	1.51	1.52
Profitability	Return on Assets (%)		6.71	5.16	5.17
	Return on equity (%)		10.26	7.54	7.53
	Ratio to be paid in capital (%)	Operating income	21.93	16.22	19.71
		EBT	38.62	31.14	28.39
	Net profit rate (%)		3.76	3.42	3.39
	EPS ($)	Cum-dividend	3.29	2.46	2.48
		Ex-dividend	3.29	2.46	2.48
Cash flow	Cash flow ratio (%)		47.27	51.65	16.55
	Cash flow adequacy ratio (%)		150.34	160.67	145.00
	Cash reinvestment ratio (%)		12.67	11.18	1.53
Leverage	Operation leverage		1.50	1.63	1.45
	Financial leverage		1.01	1.00	1.00
Reasons for Changes in financial ratios in the last 2 years: (for changes of 20% or more) Cash flows: Not applicable.					

Note 1: The financial information in the years listed above has been prepared with ROC GAAP and audited by CPAs.

Note 2: The equation for calculation shall be stated at the end of this table in the annual report.

1. Financial structure
   (1) Liabilities to assets ratio = total liabilities/ total assets.
   (2) Long-term capital to Property, plant and equipment ratio = (Net shareholder's equity + Non-current liabilities)/ Net Property, plant and equipment.
2. Ability to repay debt
   (1) Current ratio = current assets/current liabilities
   (2) Quick ratio = (current assets- inventory – prepayments)/current liabilities
   (3) Debt service coverage ratio=EBIT/interest expense for current period.

3. Utility
   (1) Account receivable (including account receivable and note receivable from business) turnover = net sales/average balance of account receivable (including account receivable and note receivable from operation).
   (2) Average daily payment=365/account receivable turnover
   (3) Inventory turnover= cost of goods sold/average inventory
   (4) Account payable (including account payable and note payable from operation) turnover = cost of goods sold/average balance of account payable (including account payable and note payable from operation).
   (5) Average daily sales = 365/inventory turnover
   (6) Property, plant and equipment turnover = net sales /Average Net Property, plant and equipment.
   (7) Total assets turnover = net sales/ Average total assets.
4. Profitability
   (1) Return on Assets = [Earning + interest expenses x (1-tax rate)]/average total assets.
   (2) Return on Equity = Earning /average net equity
   (3) Net profit rate = Earning/net sales
   (4) Earning per share = (Equity attributable to owners of the parent – dividend from preferred shares)/weighted average number of outstanding shares (Note 4).
5. Cash Flow
   (1) Cash flow ratio = (net sales – variable cost and expenses from operation)/operating income.
   (2) Cash flow adequacy ratio = net cash flow from operation over the last five years/(capital spending +addition to inventory + cash dividend) over the last five years.
   (3) Cash reinvestment ratio = (net cash flow from operation – cash dividend)/ (gross Property, plant and equipment + long-term investment + other Non-current assets + working capital) (Note 5).
6. Leverage:
   (1) Operation leverage= (net sales – variable cost and expenses from operation)/operating income (Note 6).
   (2) Financial leverage= operating income/(operating income-operating expenses).

Note 3: When using the aforementioned equations for the calculation of earnings per share, pay attention to the following:
1. The number of common shares shall be based on the weighted average method and not the outstanding shares as of the end of the year.
2. Where there may be additional capital raised from the issuance of new shares or may be transactions in treasury shares, the outstanding period of the shares shall be considered in calculating the weighted average number of outstanding shares.
3. Where there may be the capitalization of retained earnings or of capital surplus, adjustment shall be made in proportion to the amount capitalized when calculating the earnings per share for the previous year and the interim period. The term of the capitalization of retained earnings or capital surplus for new capital is not required for consideration.
4. If the preferred shares are non-convertible accumulated preferred shares, the dividend for current period (whether or not it is paid out) should be deducted from earnings or added to earnings. If the preferred shares are not accumulative, dividend for preferred shares should be deducted from earning if there is a surplus. If there is loss after tax, no adjustment is required

Note 4: When conducting analysis on cash flow, pay attention to the followings:
1. Cash flow from operation shall be referred to the net cash inflow from operation as stated in the statement of cash flow.
2. Capital spending shall be referred to cash outflow for capital investment each year.
3. Addition to inventory shall be referred to the value at the end of the ending period is greater than that of the beginning period. If there is decease in inventory, put a zero.
4. Cash dividend shall be referred to the cash dividends for common shares and preferred shares.
5. Gross Property, plant and equipment refers to total property, plant and equipment before subtracting accumulated depreciation.

Note 5: The issuer should classify operating costs and expenses as fixed or variable based on their nature. If estimates or subjective judgment is involved in the classification, the reasonableness in the process should require special attention and the consistency of the process must be maintained.

III.Supervisors' Review Report 2014

Gigabyte Corporation Supervisors' Review Report

Date: April 15, 2014

To: General Meeting of Gigabyte Corporation Limited

The Undersigned have reviewed the report in operation, financial statements and motion on the allocation of income in 2014 prepared by The Board of Directors of the Company. These reports, statements and motion are fairly presented and reflect the real situation of the Company. Pursuant to Article 219 of the Company Law, The Undersigned hereby present the said report in operation, financial statements and motion in the allocation of income in 2013 to the General Meeting as is.

Supervisors:

Wang Hui-Min

Pan Chi-Hsiu

Xi Wei Investment Co., Ltd.
Representative:
Chen Hui-Chou

April 15, 2015

IV. Entity Financial Statement Audited by CPAs in the Most Recent Year

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended 31st December 2014, pursuant to "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the company that is required to be included in the consolidated financial statements of affiliates, is the same as the company required to be included in the consolidated financial statements of parent and subsidiary companies under Statements of Financial Accounting Standards No.7. And if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

GIGA-BYTE TECHNOLOGY CO., LTD.

Dandy Yeh

16th March 2015

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of
Giga-Byte Technology Co., Ltd. and subsidiaries

We have audited the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and its subsidiaries as of 31st December 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in shareholders' equity and of cash flows for the years then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of certain investee companies accounted for under the equity method as of and for the years ended 31st December 2014 and 2013 were audited by other auditors, whose reports thereon were furnished to us. Long-term equity investment balance in these investee companies amounted to $81,057 thousand and $306,284 thousand as of 31st December 2014 and 2013, respectively, and the related investment gain (loss) recognized amounted to $282 thousand and ($13,701) thousand for the years then ended. Our opinion, insofar as it relates to the amounts included in the financial statements and information disclosed in Note 13 relating to these long-term equity investments, is based solely on the reports of the other auditors.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Giga-Byte Technology Co., Ltd. and its subsidiaries as of 31st December 2014 and 2013, and their financial performance and cash flows for the years then ended in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the unconsolidated financial statements of Giga-Byte Technology Co., Ltd. (not presented herein) as of and for the years ended 31st December 2014 and 2013, and have expressed a modified unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan

16th March 2015

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	ASSETS	Notes	31st December 2014 Amount	%	31st December 2013 Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 9,336,355	28	$ 8,146,406	23
1110	Financial assets at fair value through profit or loss-current	6(2)	1,191,594	4	1,518,811	4
1125	Available-for-sale financial assets-current	6(6)	87,763	-	83,610	-
1150	Notes receivable-net		7,238	-	10,991	-
1170	Accounts receivable-net	6(3)	6,093,288	18	5,435,125	16
1200	Other receivables		439,128	1	476,788	2
130X	Inventories-net	6(4)	8,866,121	26	8,365,361	24
1470	Other current assets	6(5)	820,425	3	3,161,356	9
11XX	Total current assets		26,841,912	80	27,198,448	78
	Non-current assets					
1523	Available-for-sale financial asset-non-current	6(6)	345,828	1	509,384	2
1527	Held-to-maturity financial assets-non-current	6(7)	153,480	-	148,410	-
1546	Investments in bonds without active markets-non-current	6(8)	-	-	19,662	-
1550	Investments accounted for under equity method	6(9)	298,306	1	306,284	1
1600	Property, plant and equipment-net	6(10)	4,231,520	12	4,212,396	12
1760	Investment property-net	6(11)	191,719	1	142,029	-
1780	Intangible assets		49,730	-	45,002	-
1840	Deferred income tax assets	6(17)	266,817	1	274,939	1
1900	Other non-current assets	6(12)	1,313,314	4	2,140,848	6
15XX	Total non-current assets		6,850,714	20	7,798,954	22
1XXX	TOTAL ASSETS		$ 33,692,626	100	$ 34,997,402	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31st December 2014 Amount	%	31st December 2013 Amount	%
	Current liabilities					
2100	Short-term loans	6(13)	$ 71,326	-	$ 2,605,649	7
2150	Notes payable		50,204	-	37,511	-
2170	Accounts payable		5,487,917	16	5,423,326	16
2200	Other payables	6(14)	3,376,700	10	2,884,329	8
2230	Current income tax liabilities	6(17)	281,914	1	342,925	1
2250	Provisions for liabilities - current	6(15)	535,056	2	562,578	2
2300	Other current liabilities		850,512	3	824,553	2
21XX	Total current liabilities		10,653,629	32	12,680,871	36
	Non-current liabilities					
2570	Deferred income tax liabilities	6(17)	24,526	-	15,734	-
2600	Other non-current liabilities	6(16)	436,357	1	451,095	2
25XX	Total non-current liabilities		460,883	1	466,829	2
2XXX	Total liabilities		11,114,512	33	13,147,700	38
	Equity attributable to owners of the parent					
	Share capital	6(18)				
3110	Common stock		6,228,829	19	6,265,714	18
	Capital surplus	6(19)				
3200	Capital surplus		4,592,155	14	4,587,562	13
	Retained earnings	6(20)				
3310	Legal reserve		3,185,601	9	2,950,047	9
3320	Special reserve		426,354	1	426,354	1
3350	Unappropriated retained earnings		7,631,177	23	7,341,889	21
	Other equity					
3400	Other equity		435,986	1	267,119	-
31XX	Total equity attributable to owners of the parent		22,560,102	67	21,838,685	62
36XX	Non-controlling interest		18,012	-	11,017	-
3XXX	Total equity		22,578,114	67	21,849,702	62
	TOTAL LIABILITIES AND EQUITY		$ 33,692,626	100	$ 34,997,402	100

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

			For the years ended 31st December			
			2014		2013	
		Notes	Amount	%	Amount	%
4000	Operating revenue		$ 54,541,687	100	$ 51,118,994	100
5000	Operating costs	6(4)(25)(26)	(45,073,304)	(82)	(41,969,788)	(82)
5900	Gross profit		9,468,383	18	9,149,206	18
	Operating expenses	6(25)(26)				
6100	Selling expenses		(4,184,633)	(8)	(3,775,899)	(8)
6200	General & administrative expenses		(1,662,609)	(3)	(1,605,844)	(3)
6300	Research and development expenses		(1,815,605)	(3)	(1,963,294)	(4)
6000	Total operating expenses		(7,662,847)	(14)	(7,345,037)	(15)
6900	Operating profit		1,805,536	4	1,804,169	3
	Non-operating revenue and expenses					
7010	Other income	6(23)	793,316	1	468,874	1
7020	Other gains and losses	6(24)	355,324	1	499,123	1
7050	Finance costs		(18,478)	-	(26,108)	-
7060	accounted for under the equity method	6(9)	8,648	-	(13,701)	-
7000	Total non-operating revenue and expenses		1,138,810	2	928,188	2
7900	Profit before income tax		2,944,346	6	2,732,357	5
7950	Income tax expense	6(17)	(544,541)	(1)	(372,877)	(1)
8200	Profit for the year		$ 2,399,805	5	$ 2,359,480	4
	Other comprehensive income-net					
8310	Currency translation differences		$ 206,937	-	$ 300,038	1
8325	Unrealised (loss) gain on valuation of available-for-sale financial assets	6(6)	(38,070)	-	114,905	-
8360	Actuarial gain (loss) on defined benefit plan	6(17)	9,889	-	14,328	-
8399	Income tax relating to the components of other comprehensive income	6(17)	(1,680)	-	(2,436)	-
8300	Other comprehensive profit after income tax		$ 177,076	-	$ 426,835	1
8500	Total comprehensive income for the year		$ 2,576,881	5	$ 2,786,315	5
	Profit attributable to:					
8610	Owners of parent		$ 2,397,101	5	$ 2,355,536	4
8620	Non-controlling interest		2,704	-	3,944	-
	Total		$ 2,399,805	5	$ 2,359,480	4
	Comprehensive income attributable to:					
8710	Owners of parent		$ 2,574,177	5	$ 2,782,371	5
8720	Non-controlling interest		2,704	-	3,944	-
	Total		$ 2,576,881	5	$ 2,786,315	5
9750	Basic earnings per share	6(22)	$	3.82	$	3.76
9850	Diluted earnings per share		$	3.74	$	3.69

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				Retained earnings			Other equity				
	Notes	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Currency translation differences	Unrealised gain (loss) on valuation of available-for-sale financial assets	Total	Non-controlling interest	Total equity
2013											
Balance at 1st January 2013		$ 6,258,914	$ 4,585,372	$ 2,794,790	$ 426,354	$ 6,382,171	($ 158,930)	$ 11,106	$ 20,299,777	$ 8,797	$ 20,308,574
Appropriations of 2012 earnings:	6(20)										
Legal reserve		-	-	155,257	-	(155,257)	-	-	-	-	-
Cash dividends		-	-	-	-	(1,252,453)	-	-	(1,252,453)	-	(1,252,453)
Share-based payment	6(21)	6,800	2,190	-	-	-	-	-	8,990	-	8,990
Changes in non-controlling interest		-	-	-	-	-	-	-	-	(1,724)	(1,724)
Profit for the year		-	-	-	-	2,355,536	-	-	2,355,536	3,944	2,359,480
Other comprehensive income for the year		-	-	-	-	11,892	300,038	114,905	426,835	-	426,835
Balance at 31st December 2013		$ 6,265,714	$ 4,587,562	$ 2,950,047	$ 426,354	$ 7,341,889	$ 141,108	$ 126,011	$ 21,838,685	$ 11,017	$ 21,849,702
2014											
Balance at 1st January 2014		$ 6,265,714	$ 4,587,562	$ 2,950,047	$ 426,354	$ 7,341,889	$ 141,108	$ 126,011	$ 21,838,685	$ 11,017	$ 21,849,702
Appropriations of 2013 earnings:	6(20)										
Legal reserve		-	-	235,554	-	(235,554)	-	-	-	-	-
Cash dividends		-	-	-	-	(1,880,468)	-	-	(1,880,468)	(3,549)	(1,884,017)
Share-based payment	6(21)	23,115	4,593	-	-	-	-	-	27,708	-	27,708
Changes in non-controlling interest		-	-	-	-	-	-	-	-	7,840	7,840
Profit for the year		-	-	-	-	2,397,101	-	-	2,397,101	2,704	2,399,805
Other comprehensive income for the year		-	-	-	-	8,209	206,937	(38,070)	177,076	-	177,076
Balance at 31st December 2014		$ 6,288,829	$ 4,592,155	$ 3,185,601	$ 426,354	$ 7,631,177	$ 348,045	$ 87,941	$ 22,560,102	$ 18,012	$ 22,578,114

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended 31st December 2014	2013
Cash flows from operating activities:			
Profit before income tax		$ 2,944,346	$ 2,732,357
Adjustments to reconcile profit before income tax to net cash provided by operating activities:			
Income and expenses having no effect on cash flows			
Depreciation	6(10)(25)	343,084	376,056
Depreciation charge on investment property	6(11)	3,559	801
Amortisation	6(25)	173,154	179,647
Provision for doubtful accounts	6(3)	25,661	65,417
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)(24)	(43,343)	(3,151)
Interest expense		18,478	26,109
Interest income	6(23)	(217,218)	(158,977)
Dividends income	6(23)	(23,069)	(15,197)
Share of (gain) loss of associates accounted for under equity method	6(9)	(8,648)	13,701
Loss on disposal of property, plant and equipment	6(10)(24)	33,789	3,433
Gain on disposal of available-for-sale financial assets	6(6)(24)	(38,205)	(43,968)
Gain on disposal of investments in bonds without active markets	6(8)(24)	(638)	(797)
Loss on disposal of investments accounted for under equity method	6(9)	654	-
Impairment loss on available-for-sale financial assets		-	7,483
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets and liabilities at fair value through profit or loss	6(2)	370,560	57,865
Notes receivable		3,753	(2,853)
Accounts receivable	6(3)	(407,388)	(510,384)
Other receivables		37,660	(124,783)
Inventories	6(4)	(504,540)	(850,925)
Other current assets	6(5)	(60,586)	(153,122)
Net changes in liabilities relating to operating activities			
Notes payable		12,693	12,830
Accounts payable		64,591	(962,639)
Other payables	6(14)	492,371	915,404
Provisions for liabilities	6(15)	(27,522)	85,911
Other current liabilities	6(16)	25,959	78,806
Other non-current liabilities	6(17)	1,160	41,007
Cash generated from operations		3,220,315	1,770,031
Dividend received	6(23)	23,069	15,197
Interest paid		(18,478)	(26,109)
Interest received	6(23)	217,218	158,977
Income tax paid	6(17)	(595,625)	(115,244)
Net cash provided by operating activities		2,846,499	1,802,852

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended 31st December 2014	2013
Cash flows from investing activities:			
Acquisition of available-for-sale financial assets	6(6)	($ 216,990)	($ 427,477)
Proceeds from disposal of available-for-sale financial assets	6(6)	244,096	303,217
Capital reduction by returning cash for available-for-sale financial assets		84,000	45,000
Acquisition of investments in bonds without active markets	6(8)	-	(67,155)
Proceeds from disposal of investments in bonds without active markets	6(8)	19,766	118,314
Acquisition of held-to-maturity financial assets	6(7)	-	(148,410)
Acquisition of investments accounted for under equity method	6(9)	(48,600)	(207,000)
Proceeds from disposal of investments accounted for under equity method		79,200	-
Capital reduction by returning cash from investee companies recognised under equity method	6(9)	-	88,000
Acquisition of property, plant and equipment	6(10)	(418,338)	(199,288)
Proceeds from disposal of property, plant and equipment	6(10)	26,696	5,946
Acquisition of intangible assets		(59,721)	(130,225)
Decrease (increase) in other financial assets	6(5)(12)	3,279,771	(3,124,631)
(Increase) decrease in other non-current assets	6(12)	(168,881)	11,521
Net cash provided by (used in) investing activities		2,820,999	(3,732,188)
Cash flows from financing activities:			
(Decrease) increase in short-term loans	6(13)	(23,534,323)	2,390,352
(Decrease) increase in deposits received		(7,690)	2,809
Employee stock options exercised	6(21)	27,708	8,990
Cash dividends paid	6(20)	(1,884,017)	(1,252,453)
Changes in non-controlling interest		7,840	(1,724)
Net cash (used in) provided by financing activities		(4,390,482)	1,147,974
Effect of exchange rate changes on cash and cash equivalents		(87,067)	190,105
Increase (decrease) in cash and cash equivalents		1,189,949	(591,257)
Cash and cash equivalents at beginning of year	6(1)	8,146,406	8,737,663
Cash and cash equivalents at end of year	6(1)	$ 9,336,355	$ 8,146,406

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Giga-Byte Technology Co., Ltd. (the "Company") was incorporated as company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The address of the Company's registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are engaged in the manufacture, processing and trading of computer peripheral and component parts.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on 16th March 2015.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1)Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRSs") as endorsed by the Financial Supervisory Commission ("FSC")

None.

(2)Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued on 3rd April 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taiwan GreTai Securities Market or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers " effective 1st January 2015 (collectively referred herein as the "2013 version of IFRSs") in preparing the consolidated financial statements. The related new standards, interpretations and amendments are listed below:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendments to IFRS 1)	1st July 2010
Severe hyperinflation and removal of fixed dates for first-time adopters (amendments to IFRS 1)	1st July 2011
Government loans (amendments to IFRS 1)	1st January 2013
Disclosures — Transfers of financial assets (amendments to IFRS 7)	1st July 2011
Disclosures — Offsetting financial assets and financial liabilities (amendments to IFRS 7)	1st January 2013
IFRS 10, 'Consolidated financial statements'	1st January 2013 (Investment entities: 1st January 2014)

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 11,'Joint arrangements'	1st January 2013
IFRS 12,'Disclosure of interests in other entities'	1st January 2013
IFRS 13, 'Fair value measurement'	1st January 2013
Presentation of items of other comprehensive income (amendments to IAS 1)	1st July 2012
Deferred tax: recovery of underlying assets (amendments to IAS 12)	1st January 2012
IAS 19 (revised), 'Employee benefits'	1st January 2013
IAS 27,'Separate financial statements' (as amended in 2011)	1st January 2013
IAS 28,'Investments in associates and joint ventures' (as amended in 2011)	1st January 2013
Offsetting financial assets and financial liabilities (amendments to IAS 32)	1st January 2014
IFRIC 20, 'Stripping costs in the production phase of a surface mine'	1st January 2013
Improvements to IFRSs 2010	1st January 2011
Improvements to IFRSs 2009—2011	1st January 2013

Based on the Group's assessment, the adoption of the 2013 version of IFRSs has no significant impact on the consolidated financial statements of the Group, except for the following:

A. IAS 19 (revised), 'Employee benefits'

The revised standard eliminates the corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service cost will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expenses, is recognised in other comprehensive income. An entity is required to recognise termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognises any related restructuring costs. Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity's future cash flows. Net interest income, calculated by applying the discount rate to the net defined benefit liability by the Group, replaces the finance charge and expected return on plan assets. Therefore, operating expenses would be decreased by $623 and other comprehensive income would be increased by $623 for the year ended 31st December 2014.

B. IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D. IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Group's assessment, the adoption of the standard has no significant impact on its consolidated financial statements, and the Group will disclose additional information about fair value measurements accordingly.

E. IAS 28, 'Investments in associates and joint ventures' (as amended in 2011)

As consequential amendments resulting from the issuance of IFRS 11, 'Joint arrangements', IAS 28 (revised) sets out the requirements for the application of the equity method when accounting for investments in joint ventures. A portion of an investment in an associate or a joint venture that meets the criteria to be classified as held for sale shall be measured at fair value less costs to sell. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. When an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

Except for Note 3(2)A, for the above items, the Group is assessing their impact on the consolidated financial statements and will disclose the affected amounts accordingly.

(3)IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRSs as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 9, 'Financial instruments'	1st January 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	1st January 2016
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	1st January 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	1st January 2016
IFRS 14, 'Regulatory deferral accounts'	1st January 2016
IFRS 15, 'Revenue from contracts with customers'	1st January 2017
Disclosure initiative (amendments to IAS 1)	1st January 2016

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	1st January 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	1st January 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	1st July 2014
Equity method in separate financial statements (amendments to IAS 27)	1st January 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	1st January 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	1st January 2014
IFRIC 21, 'Levies'	1st January 2014
Improvements to IFRSs 2010-2012	1st July 2014
Improvements to IFRSs 2011-2013	1st July 2014
Improvements to IFRSs 2012-2014	1st January 2016

The Group is assessing the potential impact of the new standards, interpretations and amendments above. The impact on the consolidated financial statements will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements

are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1)Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2)Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b)Available-for-sale financial assets measured at fair value.

(c)Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies. In general, control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. The existence and effect of potential voting rights that are currently exercisable or convertible have been considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%)		
			31st December		
Investor	Subsidiary	Main activities	2014	2013	Description
The Company	Freedom International Group Ltd.	Holding company	100.00	100.00	
〃	G.B.T., Inc.	Selling of motherboards	48.63	48.63	
〃	G.B.T. Technology Trading GmbH	〃	100.00	100.00	
〃	Nippon Giga-Byte Corp.	〃	100.00	100.00	
〃	GBT Tech. Co., Ltd.	〃	100.00	100.00	
〃	Giga-Byte Technology B.V.	〃	100.00	100.00	
〃	Gigabyte Technology Pty. Ltd.	Repairing of motherboards	100.00	100.00	

Investor	Subsidiary	Main activities	Ownership(%) 31st December 2014	2013	Description
The Company	Chi-Ga Investment Corp.	Holding company	100.00	100.00	
〃	Gigabyte Technology (India) Private Limited	Selling of motherboards	100.00	100.00	
〃	G-Style Co., Ltd.	Manufacturing and selling of notebooks	100.00	100.00	
〃	Giga-Zone International Co., Ltd.	Selling of PC peripherals	100.00	100.00	
〃	Giga-Byte Communications Inc.	Manufacturing and selling of communications	99.12	99.12	
〃	Gigabyte Advance (Labuan) Limited	Selling of motherboards	-	100.00	Note 1
〃	Gigabyte Technology ESPANA S.L.U.	Repairing of motherboards	100.00	100.00	
〃	Gigabyte Global Business Corporation	Selling of ODM products	100.00	100.00	
〃	Axper International (Labuan) Inc.	Holding company	-	-	Note 2
〃	Gigabyte Information Technology Commerce Limited Company	Repairing of motherboards	100.00	100.00	
〃	Gigabyte Technology LLC	Selling of motherboards	100.00	100.00	
Freedom International Group Ltd.	Charleston Investments Limited	Holding company	100.00	100.00	
〃	Giga Future Limited	〃	100.00	100.00	
〃	G.B.T. LBN Inc.	Selling of motherboards	100.00	100.00	
〃	G.B.T. Inc.	〃	51.37	51.37	
〃	Aorus Pte. Ltd.	〃	100.00	100.00	Note 3
Freedom International Group Ltd.	Gigabyte Trading Inc.	Selling of ODM products	100.00	100.00	

Investor	Subsidiary	Main activities	Ownership(%) 31st December 2014	Ownership(%) 31st December 2013	Description
〃	Cloud Ride Limited	Selling of communications	-	100.00	Note 7
〃	Giga Advance (Labuan) Limited	Selling of motherboards	100.00	-	Note 1
Giga-Byte Technology B.V.	Gigabyte Technolgoy France	〃	100.00	100.00	
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Repairing of motherboards	100.00	100.00	
Charleston Investments Limited	Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of motherboards	100.00	100.00	
〃	Ningbo Giga-Byte International Trade Co., Ltd.	Selling of motherboards	100.00	100.00	
〃	Ningbo Best Yield Technology Services Co., Ltd.	Repairing of motherboards	100.00	100.00	
Giga Future Limited	Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of motherboards	100.00	100.00	
Ningbo Giga-Byte International Trade Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Selling of motherboards	100.00	100.00	
Chi-Ga Investment Corp.	Gigatrend Technology Co., Ltd.	Manufacturing and selling electronic components and parts	100.00	100.00	
〃	Gigatrend International Investment Group Ltd.	Holding company	100.00	100.00	
〃	Giga-Trend International Management Group Ltd.	Venture capital management and consulting business	60.00	60.00	
〃	Gigazone Holdings Limited	Holding company	100.00	73.91	Note 4
Giga-Byte Communications Inc.	Giga Win Limited	Selling of communications	100.00	100.00	
Giga-Zone International Co., Ltd.	Gigazone Holdings Limited	Holding company	-	26.09	Note 4
Gigazone Holdings Limited	Gigazone International (Shenzhen)	Selling of PC peripherals	58.97	100.00	Note 5
Gigatrend Technology Co.,	Green Share Co., Ltd.	Wholesale of information	51.00	-	Note 6

Investor	Subsidiary	Main activities	Ownership(%) 31st December 2014	2013	Description
Ltd.		software			
Cloud Ride Ltd.	OGS Europe B.V.	Selling of communications	100.00	-	Note 6
Ningbo Zhongjia Technology Co., Ltd.	Gigazone International (Shenzhen)	Selling of PC peripherals	41.03	-	Note 5
Ningbo BestYield Tech. Services Co., Ltd.	Cloud Ride Limited	Selling of communication products	100.00	-	Note 7

Note 1: Freedom International Group Ltd. acquired 100% equity interest in Giga Advance (Labuan) Limited from the Company for a cash consideration of NT$5,648 in August 2014.

Note 2: It had been liquidated in 2013.

Note 3: Starting from 2014, Gigabyte Singapore Pte. Ltd. was renamed as Aorus Pte. Ltd.

Note 4: Chi-Ga Investment Corp. acquired 26.09% equity interest in Gigazone Holding Limited from Giga-Zone International Co., Ltd. for a cash consideration of NT$23,371 in January 2014.

Note 5: Ningbo Zhongjia Technology Co., Ltd. acquired 41.03% equity interest in Gigazone International (Shenzhen) from Gigazone Holdings Limited for a cash consideration of NT$146,370 in August 2014.

Note 6: The establishment of new investment in 2014.

Note 7: Ningbo BestYield Tech. Services Co., Ltd. acquired 100% equity interest in Cloud Ride Limited from Freedom International Group Ltd. for a cash consideration of NT$100,577 in December 2014.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

(4)Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional currency and the Group's presentation currency.

A. Foreign currency transactions and balances

(a)Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b)Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c)Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d)All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a)The operating results and financial position of all the Company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b)When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c)When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5)Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a)Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b)Assets held mainly for trading purposes;

(c)Assets that are expected to be realised within twelve months from the balance sheet date;

(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.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a)Liabilities 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;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets held for trading. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using settlement date accounting.

C. Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(8) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

B. Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income.

(9) Held-to-maturity financial assets

A. Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity date that the Group has the positive intention and ability to hold to maturity other than those that meet the definition of loans and receivables and those that are designated as at fair value through profit or loss or as available-for-sale on initial recognition.

B. On a regular way purchase or sale basis, held-to-maturity financial assets are recognised and derecognised using settlement date accounting.

C. Held-to-maturity financial assets are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(10) Loans and receivables

A. Accounts receivable

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

B. Bond investments without active market

(a) Bond investments without active market are loans and receivables not originated by the entity. They are bond investments with fixed or determinable payments that are not quoted in an active market, and also meet all of the following conditions:

i. Not designated on initial recognition as at fair value through profit or loss;

ii. Not designated on initial recognition as available-for-sale;

iii. Not for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

(b) On a regular way purchase or sale basis, bond investments without active market are recognised and derecognised using settlement date accounting.

(c) Bond investments without active market are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(11) Impairment of financial assets

A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

(a) Significant financial difficulty of the issuer or debtor;

(b) A breach of contract, such as a default or delinquency in interest or principal payments;

(c) The Group, for economic or legal reasons relating to the borrower's financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d) It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) The disappearance of an active market for that financial asset because of financial difficulties;

(f) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or

(g) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a) Financial assets measured at amortised cost

The amount of the impairment loss is 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, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(13) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. When the Group disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	5～55 years
Machinery and equipment	3～10 years
Research and development equipment	3～10 years
Office equipment	3～ 5 years
Other tangible operating assets	3～10 years

(15) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 50 years.

(16) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 10 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

(17) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(18) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(19) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(20) Provisions

Warranty provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) instead.

ii. Actuarial gains and losses arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise.

iii. Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C. Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Group calculates the number of shares of employees' stock bonus based on the fair value per share 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.

(22) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. And ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the unconsolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

(24) Revenue recognition

A. The Group manufactures and sells computer peripheral and component parts products. Revenue is measured at the fair value of the consideration received or receivable taking into account of value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities.

B. The Group offers customers volume discounts and right of return for defective products. The Group estimates such discounts and returns based on historical experience. Allowance accounts for such liabilities are recorded when the sales are recognised.

(25) 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, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Financial assets—impairment of equity investments

The Group follows the guidance of IAS 39 to determine whether a financial asset—equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

(2) Critical accounting estimates and assumptions

The accounting assumptions are made based on estimates of future events. Assumptions may differ from the actual results. The information on assumptions and estimates that may have risks of major adjustments to carrying amount of assets and liabilities of the next fiscal year is as follows:

A. Revenue recognition

In principle, sales revenues are recognised when the earning process is completed. The Group estimates discounts and returns based on historical results and other known factors. Provisions for such liabilities are recorded as a deduction item to sales revenues when the sales are recognised. The Group reassesses the reasonableness of estimates of discounts and returns periodically.

B. Impairment assessment of tangible and intangible assets (excluding goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilised and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause material impairment on assets in the future.

C. Realisability of deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Assessment of the realisability of deferred income tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, tax exempt duration, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred income tax assets.

As of 31st December 2014, the Group recognised deferred income tax assets amounting to $266,817.

D. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of 31st December 2014, the carrying amount of inventories was $8,866,121.

E. Calculation of accrued pension obligations

When calculating the present value of defined pension obligations, the Group must apply judgements and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and expected rate of return on plan assets. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations.

As of 31st December 2014, the carrying amount of accrued pension obligations was $383,121.

F. Financial assets—fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks held by the Group that are not traded in an active market is determined considering those companies' recent funding raising activities and technical development status, fair value assessment of other companies of the same type, market conditions and other economic indicators existing on balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Please refer to Note 12(3) for the financial instruments fair value information.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	31st December 2014	31st December 2013
Cash on hand	$ 719,423	$ 668,911
Checking accounts and demand deposits	4,729,831	2,987,089
Time deposits	3,887,101	4,490,406
	$ 9,336,355	$ 8,146,406

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Group's maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

	31st December 2014	31st December 2013
Current items		
Financial assets held for trading		
Open-end funds-Domestic	$ 857,404	$ 960,158
Open-end funds-Overseas	18,465	315,361
Listed (OTC) stocks	198,644	198,644
Corporate bonds	181,933	154,966
	1,256,446	1,629,129
Valuation adjustment	(64,852)	(110,318)
	$ 1,191,594	$ 1,518,811

A. The Group recognized net gain of $73,747 and $19,131 on financial assets held for trading for the years ended 31st December 2014 and 2013, respectively.

B. The counterparties of the Group's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of financial assets-debt instruments at fair value through profit or loss.

C. Transactions of non-derivatives and contract information are as follows:

The Group is involved in presale of forward foreign exchange contracts to hedge exchange rate risk of accounts receivable arising from export transactions. However, these forward foreign exchange contracts are not accounted for under hedge accounting. As of 31st December 2014 and 2013, all the forward foreign exchange contracts have been settled. For the years ended 31st December 2014 and 2013, the Group has recognized loss of $1,617 and profit of $943, respectively, on transactions of derivatives.

D. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Accounts receivable - net

	31st December 2014	31st December 2013
Accounts receivable- third parties	$ 6,181,588	$ 5,774,199
Less: Allowance for doubtful accounts	(88,300)	(339,074)
Accounts receivable- net	$ 6,093,288	$ 5,435,125

A. The Group's credit quality for accounts receivable is assessed in accordance with the customer's credit rating and the collection period for the calculation basis of impairment loss. The Group has an internal credit valuation policy for its customers and the Group's finance department routinely or randomly revaluates whether the credit ratings are still appropriate and makes adjustments when necessary in order to ascertain the latest condition of the customers. The credit rating for customers is based on the scale of the industry operations, profit-generating conditions, and the credit rating given by financial institutions as references for assessment.

B. The ageing analysis was based on past due date. The Group did not hold any financial assets that were past due but not impaired for the year ended 31st December 2014.

C. Movement analysis of the allowance for bad debts of financial assets that were impaired is as follows:

	For the year ended 31st December 2014		
	Individual provision	Group provision	Total
At 1st January	$ 238,556	$ 100,518	$ 339,074
Provision for impairment	2,319	23,342	25,661
Write-offs during the period	(251,808)	-	(25,808)
Net exchange differences	14,130	(38,757)	(24,627)
At 31st December	$ 3,197	$ 85,103	$ 88,300

	For the year ended 31st December 2013		
	Individual provision	Group provision	Total
At 1st January	$ 231,309	$ 70,418	$ 301,727
Provision for impairment	785	64,632	65,417
Net exchange differences	6,462	(34,532)	(28,070)
At 31st December	$ 238,556	$ 100,518	$ 339,074

D. The maximum exposure to credit risk at 31st December 2014 and 2013 was the carrying amount of each class of accounts receivable.

(4) Inventories

	31st December 2014		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 2,319,386	($ 82,367)	$ 2,237,019
Work in process	1,251,776	(620)	1,251,156
Finished goods and merchandise inventories	5,528,033	(150,087)	5,377,946
	$ 9,099,195	($ 233,074)	$ 8,866,121

	31st December 2013		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 1,784,759	($ 74,383)	$ 1,710,376
Work in process	1,363,527	(3,137)	1,360,390
Finished goods and merchandise inventories	5,395,237	(100,642)	5,294,595
	$ 8,543,523	($ 178,162)	$ 8,365,361

The cost of inventories recognised as expense for the period:

	For the years ended 31st December	
	2014	2013
Cost of inventories sold	$ 44,372,595	$ 41,444,768
Cost of warranty	650,652	521,581
Loss on market decline of inventory	49,529	2,590
Others	528	849
	$ 45,073,304	$ 41,969,788

(5) Other current assets

	31st December 2014	31st December 2013
Other financial assets	$ 434,860	$ 2,834,631
Pledged assets	26,078	27,823
Others	359,487	298,902
	$ 820,425	$ 3,161,356

A. Other financial assets are the Group's financial investments and details are provided in Note 13(1)C.

B. Information on restricted assets pledged as collateral to others is provided in Note 8.

(6) Available-for-sale financial assets

	31st December 2014	31st December 2013
Current items		
Listed (TSE and OTC) stocks	$ 106,165	$ 106,165
Valuation adjustment	39,225	35,072
Accumulated impairment	(57,627)	(57,627)
	$ 87,763	$ 83,610
Non-current items		
Listed (TSE and OTC) stocks	$ 181,770	$ 214,724
Emerging and unlisted stocks	138,115	232,162
Subtotal	319,885	446,886
Valuation adjustment	48,597	85,152
Accumulated impairment	(22,654)	(22,654)
	$ 345,828	$ 509,384

The Group recognised ($38,070) and $114,905 in other comprehensive income for fair value change for the years ended 31st December 2014 and 2013, respectively.

(7) Held-to-maturity financial assets

	31st December 2014	31st December 2013
Non-current items		
Bank debentures	$ 153,480	$ 148,410

A. The counterparties of the Group's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of held-to-maturity financial assets.

B. As of 31st December 2014 and 2013, no held-to-maturity financial assets held by the Group were pledged to others.

(8) Investments in bonds without active markets

	31st December 2014	31st December 2013
Non-current items		
Corporate bonds	$ -	$ 19,662

A. The counterparties of the Group's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of bond investments without active market.

B. As of 31st December 2013, no investments in bonds without active markets held by the Group were pledged to others.

(9) Investments accounted for using equity method

	31st December 2014	31st December 2013
Giga Win International Venture Investment Group Ltd.	$ -	$ 97,401
Senyun Precise Optical Co., Ltd	217,249	208,883
Qsan Technology Inc.	81,057	-
	$ 298,306	$ 306,284

The financial information of the Group's principal associates is summarized below:

	Assets	Liabilities	Revenue	Profit/(Loss)	% interest held
31st December 2014					
Senyun Precise Optical Co., Ltd.	$ 652,163	$ 216,511	$ 436,820	$ 15,447	49.87%
Qsan Technology, Inc.	245,139	132,045	279,220	2,796	40.31%
	$ 897,302	$ 348,556	$ 716,040	$ 18,243	
31st December 2013					
Giga Win International Venture Investment Group Ltd.	$ 243,604	$ 102	$ 146,150	($ 38,958)	40.00%
Senyun Precise Optical Co., Ltd.	582,899	164,023	153,070	3,775	49.87%
	$ 826,503	$ 164,125	$ 299,220	($ 35,183)	

The investment gain (loss) of $8,648 and ($13,701) recognised for the long-term equity investments accounted for under the equity method for the years ended 31st December 2014 and 2013, respectively, are based on the audited financial statements for the same periods of the investee companies.

(10) Property, plant and equipment

	Land	Buildings	Machinery	Others	Total
At 1st January 2014					
Cost	$ 1,012,889	$ 3,279,595	$ 3,218,485	$ 1,165,965	$ 8,676,934
Accumulated depreciation	-	(1,222,453)	(2,349,417)	(892,668)	(4,464,538)
	$ 1,012,889	$ 2,057,142	$ 869,068	$ 273,297	$ 4,212,396
2014					
Opening net book amount	$ 1,012,889	$ 2,057,142	$ 869,068	$ 273,297	$ 4,212,396
Additions	-	17,644	311,813	88,881	418,338
Disposals	-	(21)	(56,655)	(3,809)	(60,485)
Reclassifications	(24,579)	(28,670)	-	-	(53,249)
Depreciation charge	-	(103,384)	(154,087)	(85,613)	(343,084)
Net exchange differences	3,108	33,908	20,231	357	57,604
Closing net book amount	$ 991,418	$ 1,976,619	$ 990,370	$ 273,113	$ 4,231,520
At 31st December 2014					
Cost	$ 991,418	$ 3,318,301	$ 3,250,972	$ 1,221,873	$ 8,782,564
Accumulated depreciation	-	(1,341,682)	(2,260,602)	(948,760)	(4,551,044)
	$ 991,418	$ 1,976,619	$ 990,370	$ 273,113	$ 4,231,520

	Land	Buildings	Machinery	Others	Total
At 1st January 2013					
Cost	$ 1,055,657	$ 3,257,355	$ 3,148,742	$ 1,065,399	$ 8,527,153
Accumulated depreciation	-	(1,116,420)	(2,176,390)	(822,547)	(4,115,357)
	$ 1,055,657	$ 2,140,935	$ 972,352	$ 242,852	$ 4,411,796
2013					
Opening net book amount	$ 1,055,657	$ 2,140,935	$ 972,352	$ 242,852	$ 4,411,796
Additions	-	17,232	49,463	132,593	199,288
Disposals	-	(2,441)	(3,931)	(3,007)	(9,379)
Reclassifications	(44,366)	(51,549)	-	-	(95,915)
Depreciation charge	-	(105,747)	(174,669)	(95,640)	(376,056)
Net exchange differences	1,598	58,712	25,853	(3,501)	82,662
Closing net book amount	$ 1,012,889	$ 2,057,142	$ 869,068	$ 273,297	$ 4,212,396
At 31st December 2013					
Cost	$ 1,012,889	$ 3,279,595	$ 3,218,485	$ 1,165,965	$ 8,676,934
Accumulated depreciation	-	(1,222,453)	(2,349,417)	(892,668)	(4,464,538)
	$ 1,012,889	$ 2,057,142	$ 869,068	$ 273,297	$ 4,212,396

The significant components of buildings include main plants and renovation projects, which are depreciated over 50 and 10 years, respectively.

(11) Investment property

	Land	Buildings	Total
At 1st January 2014			
Cost	$ 74,756	$ 82,548	$ 157,304
Accumulated depreciation	-	(15,275)	(15,275)
	$ 74,756	$ 67,273	$ 142,029
2014			
Opening net book amount	$ 74,756	$ 67,273	$ 142,029
Reclassifications	24,579	28,670	53,249
Depreciation charge	-	(3,559)	(3,559)
Closing net book amount	$ 99,335	$ 92,384	$ 191,719
At 31st December 2014			
Cost	$ 99,335	$ 112,765	$ 212,100
Accumulated depreciation	-	(20,381)	(20,381)
	$ 99,335	$ 92,384	$ 191,719

	Land	Buildings	Total
At 1st January 2013			
Cost	$ 30,390	$ 16,998	$ 47,388
Accumulated depreciation	-	(473)	(473)
	$ 30,390	$ 16,525	$ 46,915
2013			
Opening net book amount	$ 30,390	$ 16,525	$ 46,915
Reclassifications	44,366	51,549	95,915
Depreciation charge	-	(801)	(801)
Closing net book amount	$ 74,756	$ 67,273	$ 142,029
At 31st December 2013			
Cost	$ 74,756	$ 82,548	$ 157,304
Accumulated depreciation	-	(15,275)	(15,275)
	$ 74,756	$ 67,273	$ 142,029

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	For the years ended 31st December	
	2014	2013
Rental income from the lease of the investment property	$ 10,909	$ 5,878
Direct operating expenses arising from the investment property that generated rental income in the period	$ 3,559	$ 801

B. The fair value of the investment property held by the Group as at 31st December 2014 and 2013 was $229,582 and $188,547, respectively, which was valuated with reference to the future rental income and the related discounted cash flows of the investment property. Key assumptions are as follows:

	31st December 2014	31st December 2013
Discount rate	2.125%～4.80%	2.125%～4.80%

(12) Other non-current assets

	31st December 2014	31st December 2013
Other financial assets	$ 990,000	$ 1,870,000
Pledged assets	41,545	40,979
Land-use right	54,511	54,354
Other	227,258	175,515
	$ 1,313,314	$ 2,140,848

A. Details of other financial assets are provided in Note 6(5).

B. Information about the restricted assets that were pledged to others as collateral is provided in Note 8.

(13) Short-term borrowings

	31st December 2014	Interest rate range	Collateral
Credit loans	$ 71,326	1.20%	None

	31st December 2013	Interest rate range	Collateral
Credit loans	$ 2,460,649	0.95%～1.23%	None
Others	145,000	1.21%	None
	$ 2,605,649		

(14) Other payables

	31st December 2014	31st December 2013
Salary and bonus payable	$ 2,135,510	$ 1,864,866
Employees' dividends and directors' and supervisors' remuneration payable	248,908	233,360
Royalties payable	259,739	145,131
Shipping and freight-in payable	106,873	76,558
Marketing fee payable	217,261	121,015
Others	408,409	443,399
	$ 3,376,700	$ 2,884,329

(15) Provisions

A. Movement analysis of the provision for warranty is as follows:

	For the years ended 31st December	
	2014	2013
At 1st January	$ 562,578	$ 476,667
Additional provisions	650,652	521,581
Used during the period	(678,174)	(435,670)
At 31st December	$ 535,056	$ 562,578

B. The Group gives warranties on the peripherals and accessories of computer hardware sold. Provision for warranty is estimated based on the historical repair records of the product.

(16) Pensions

A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

(b) The amounts recognised in the balance sheet are determined as follows:

	31st December 2014	31st December 2013
Present value of funded defined benefit obligations	($ 626,700)	($ 626,517)
Fair value of plan assets	243,579	244,676
Net liability in the balance sheet	($ 383,121)	($ 381,841)

(c) Movements in present value of funded defined benefit obligations are as follows:

	2014	2013
Present value of funded defined benefit obligations		
At 1st January	($ 626,517)	($ 634,668)
Current service cost	(7,768)	(7,901)
Interest cost	(12,478)	(9,502)
Actuarial profit and loss	8,542	15,608
Benefits paid	10,362	9,946
Effects on curtailment or settlement	1,159	-
At 31st December	($ 626,700)	($ 626,517)

(d) Movements in fair value of plan assets are as follows:

	2014	2013
Fair value of plan assets		
At 1st January	$ 244,676	$ 241,827
Expected return on plan assets	4,359	4,334
Actuarial profit and loss	(1,347)	(1,280)
Employer contributions	3,559	9,741
Benefits paid	(10,362)	(9,946)
At 31st December	$ 243,579	$ 244,676

(e) Amounts of expenses recognised in comprehensive income statements are as follows:

	For the years ended 31st December	
	2014	2013
Current service cost	$ 7,768	$ 7,901
Interest cost	12,478	9,502
Expected return on plan assets	(4,359)	(4,334)
Profit arising from curtailment or settlement	(1,159)	-
Current pension costs	$ 14,728	$ 13,069

Details of cost and expenses recognised in comprehensive income statements are as follows:

	For the years ended 31st December	
	2014	2013
Operating costs	$ 5,984	$ 6,914
Selling expenses	3,089	2,395
General and administrative expenses	1,662	1,127
Research and development expenses	3,993	2,633
	$ 14,728	$ 13,069

(f) Amounts of actuarial gains or losses recognised under other comprehensive income are as follows:

	For the years ended 31st December	
	2014	2013
Recognition for current period	($ 9,889)	($ 14,328)
Accumulated amount	$ 67,486	$ 77,375

(g)The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of 31st December 2014 and 2013 is given in the Annual Labor Retirement Fund Utilisation Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

For the years ended December 31, 2014 and 2013, the Company's actual return on plan assets was $5,706 and $3,504, respectively.

(h) The principal actuarial assumptions used were as follows:

	For the years ended 31st December	
	2014	2013
Discount rate	2.00%	2.00%
Future salary increases	3.00%	3.00%
Expected return on plan assets	1.75%	1.75%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

(i) Historical information of experience adjustments was as follows:

	For the years ended 31st December	
	2014	2013
Present value of defined benefit obligation	($ 626,700)	($ 626,517)
Fair value of plan assets	243,579	244,676
Deficit in the plan	($ 383,121)	($ 381,841)
Experience adjustments on plan liabilities	$ 8,445	($ 4,020)
Experience adjustments on plan assets	$ 1,348	($ 1,280)

(j) Expected contributions to the defined benefit pension plans of the Group within one year from 31st December 2014 amounts to $13,769.

B.(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the years ended 31st December 2014 and 2013 were $97,486 and $84,340, respectively.

(b) The Company's mainland subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the years ended 31st December 2014 and 2013 was 12~21% and 12~22%, respectively. Other than the monthly contributions, the Group has no further obligations. For the years ended 31st December 2014 and 2013, the Company's mainland subsidiaries have recognised pension cost of $74,165 and $69,906, respectively.

(17) Income tax

A. Income tax expense

Components of income tax expense:

	For the years ended 31st December	
	2014	2013
Current tax:		
Current tax on profits for the period	$ 470,522	$ 346,855
Tax on undistributed earnings	25,140	14,638
Adjustments in respect of prior years	20,434	9,274
Total current tax	516,096	370,767
Deferred tax:		
Origination and reversal of temporary differences	15,234	(3,198)
Effect of the exchange rate	13,211	5,308
Total deferred tax	28,445	2,110
Income tax expense	$ 544,541	$ 372,877

B. Reconciliation between income tax expense and accounting profit

	For the years ended 31st December	
	2014	2013
Tax calculated based on profit before tax and statutory tax rate	$ 500,539	$ 464,501
Expenses disallowed by tax regulation	27,843	32,645
Tax exempted income by tax regulation	(39,600)	(135,301)
Effect from tax credit of investment	(48,579)	(37,466)
Tax on undistributed earnings	25,140	14,638
Prior year income tax underestimation	20,434	9,274
Changes in assessment of realization of deferred tax assets	(1,873)	(25,096)
Effect of tax from different applicable taxes within the Group	56,891	49,682
Income tax expense	$ 544,541	$ 372,877

C. Amounts of deferred tax assets or liabilities as a result of temporary difference and investment tax credit are as follows:

	For the year ended 31st December 2014			
	1st January	Recognised in profit or loss	Recognised in other comprehensive income	31st December
Temporary differences:				
-Deferred tax assets:				
Provision for warranty expense	$ 76,307	($ 573)	$ -	$ 75,734
Allowance for inventory loss	23,264	6,325	-	29,589
Pension expense	32,913	1,899	-	34,812
Unrealized profit on intercompany sales	77,274	(13,543)	-	63,731
Others	65,181	(2,230)	-	62,951
Subtotal	274,939	(8,122)	-	266,817
-Deferred tax liabilities:				
Unrealized exchange gain	(13,298)	(6,475)	-	(19,773)
Actuarial gain (loss) on defined benefit plan	(2,436)	-	(1,680)	(4,116)
Others	-	(637)	-	(637)
Subtotal	(15,734)	(7,112)	(1,680)	(24,526)
Total	$ 259,205	($ 15,234)	($ 1,680)	$ 242,291

	For the year ended 31st December 2013			
	1st January	Recognised in profit or loss	Recognised in other comprehensive income	31st December
Temporary differences:				
-Deferred tax assets:				
Provision for warranty expense	$ 75,744	$ 563	$ -	$ 76,307
Allowance for inventory loss	25,854	(2,590)	-	23,264
Pension expense	32,347	566	-	32,913
Unrealized profit on intercompany sales	36,426	40,848	-	77,274
Others	53,657	11,524	-	65,181
Investment tax credits	41,058	(41,058)	-	-
Subtotal	265,086	9,853	-	274,939
-Deferred tax liabilities:				
Unrealized exchange gain	(6,643)	(6,655)	-	(13,298)
Actuarial gain (loss) on defined benefit plan	-	-	(2,436)	(2,436)
Subtotal	(6,643)	(6,655)	(2,436)	(15,734)
Total	$ 258,443	$ 3,198	($ 2,436)	$ 259,205

D. Expiration dates of unused taxable loss and amounts of unrecognised deferred tax assets are as follows:

31st December 2014				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Usable until year
2005	$ 334,873	$ 334,873	$ 334,873	2015
2006	366,081	366,081	366,081	2016
2007	421,786	421,786	421,786	2017
2008	343,356	343,356	343,356	2018
2009	423,520	423,520	423,520	2019
2010	322,083	322,083	322,083	2020
2011	116,913	116,913	116,913	2021
2012	164,468	164,468	164,468	2022
2013	120,379	120,379	120,379	2023
2014 (Note)	154,084	154,084	154,084	2024
	$ 2,767,543	$ 2,767,543	$ 2,767,543	

Note: These amounts were based on estimates.

31st December 2013				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Usable until year
2004	$ 86,477	$ 48,811	$ 48,811	2014
2005	334,873	334,873	334,873	2015
2006	366,081	366,081	366,081	2016
2007	421,786	421,786	421,786	2017
2008	343,356	343,356	343,356	2018
2009	423,520	423,520	423,520	2019
2010	322,083	322,083	322,083	2020
2011	116,913	116,913	116,913	2021
2012	164,232	164,232	164,232	2022
2013	138,762	138,762	138,762	2023
	$ 2,718,083	$ 2,680,417	$ 2,680,417	

E. The Group's motherboard products qualify for manufacturing enterprises and related technical service enterprises, and the Company is entitled to the income tax exemption for 5 consecutive years (until June 2014) under the Statute for Upgrading Industry.

F. As of 31st December 2014, the Company's income tax returns have been assessed and approved by the Tax Authority through 2012.

G. Unappropriated retained earnings

	For the years ended 31st December	
	2014	2013
Earnings generated in and before 1997	$ 62,797	$ 62,797
Earnings generated in and after 1998	7,568,380	7,279,092
	$ 7,631,177	$ 7,341,889

H. Details related to the shareholders' imputation tax credit amount and creditable tax ratio are as follows:

	For the years ended 31st December	
	2014	2013
Imputation tax credit account balance	$ 928,803	$ 791,590

	For the years ended 31st December	
	2014 (Estimated)	2013 (Actual)
Creditable tax ratio of the total distributed retained earnings	12.27%	14.43%

(18) Share capital

A. As of 31st December 2014, the Company's authorized capital was $9,500,000, consisting of 950,000 thousand shares of ordinary stock (including 250,000 thousand shares reserved for employee stock options and for convertible bonds issued by the

Company), and the paid-in capital was $6,288,829 with a par value of $10 per share. All proceeds from shares issued have been collected:

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2014	2013
At 1st January	626,571,386	625,891,386
Employee stock options exercised	2,311,500	680,000
At 31st December	628,882,886	626,571,386

B.The Group issued 7.5 million units (entitled to 30 million ordinary shares of the Company) of Global Deposit Receipts (GDRs) as of 17th July 2000, with the issue price was US $16.76 per unit; as of 31st December 2012, the Group had only 7,509 units outstanding, in order to lower the related managing expenses, the Group terminated the abovementioned GDRs in January 2013, and the depositing and custodian institution completed the transactions for cancellation and allotment of the purchase price in August of the same year.

C.The number of shares of common stock issued for the year ended 31st December 2014 due to the exercise of employee stock options is 2,311,500 shares.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 80%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors and resolved by the stockholders as follows:

(1) 6% to 10% as bonuses to employees;

(2) Not more than 3% as remuneration to directors and supervisors; and

(3) Not less than 87% as dividends to stockholders, of which, not less than 5% shall be distributed in the form of cash. If the cash dividend is less than ten cents (NT$0.1) per share, such dividend shall be distributed in the form of shares.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated 6th April 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The estimated amount of employees' bonus of 2014 and 2013 was $187,971 and $176,667, respectively; and the estimated amounts of directors' and supervisors' remuneration of 2014 and 2013 was $56,391 and $53,000, respectively, as prescribed by the Group's Articles of Incorporation, of the Company's 2014 and 2013 net income after taking into account the legal reserve and other factors.

The amounts of employees' cash bonus and directors' and supervisors' remuneration of 2013 as resolved by stockholders are different from the amounts recognised in the 2013 financial statements (employees' cash bonus of $176,667 and directors' and supervisors' remuneration of $53,000). The difference of $51,323 has been adjusted in the profit or loss for 2014. Information about the appropriation of the Company's employees' bonus and directors' and supervisors' remuneration as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

E. The appropriation of 2013 earnings had been proposed by the Board of Directors on 11th June 2014 and the appropriation of 2012 earnings had been resolved at the stockholders' meeting on 14th June 2013. Details are summarized below:

	2013		2012	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 235,554		$ 155,257	
Cash dividends	1,880,469	$ 3.00	1,252,453	$ 2.00
Directors' and supervisors' remuneration	64,844		43,188	
Employees' cash bonus	216,146		143,960	

(21) Share-based payment

A.As of 31st December 2014, the Company's share-based payment transactions are set forth below:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conitions
Employee stock options	2007.12.19	40,000,000 shares	10 years	2~4 years' service vested immediately

B. Details of the employee stock options are set forth below:

	For the years ended 31st December			
	2014		2013	
Stock options	No. of shares (in thousands)	Weighted-average exercise price (in dollars)	No. of shares (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at beginning of year	12,531	$ 12.70	13,211	$ 13.68
Options exercised	(2,312)	11.99	(680)	13.22
Options outstanding at end of year	10,219	11.90	12,531	12.70
Options exercisable at end of year	10,219		12,531	

C. The weighted-average stock price of stock options at exercise date of 2014 and 2013 was \$33.24~\$49.54 and \$25.99~\$37.48 (in dollars), respectively.

D. As of 31st December 2014 and 2013, the range of exercise price of stock options outstanding was \$11.90 and \$12.70 respectively, and the weighted-average remaining vesting period was 2.97 years and 3.97 years, respectively.

E. For the stock options granted by the Company with the compensation cost accounted for using the fair value method, their fair value on the grant date is estimated using the Black-Scholes option-pricing model. The weighted-average parameters used in the estimation of the fair value are as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Price volatility	Option life	Dividends	Interest rate	Fair value per unit
Employee stock options	2007.12.19	\$ 19	\$ 19	39.16%	6.35 years	-	2.58%	\$ 8.1648

(22) Earnings per share

	For the year ended 31st December 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,397,101	627,290	\$ 3.82
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
—Employees' bonus	-	5,529	
—Convertible bonds	-	8,412	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,397,101	641,231	\$ 3.74

	For the year ended 31st December 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,355,536	626,259	\$ 3.76
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
—Employees' bonus	-	4,401	
—Convertible bonds	-	7,205	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,355,536	637,865	\$ 3.69

As employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would be increased from employees' stock bonus issuance in the weighted-average number of common shares outstanding during the reporting year, which take 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 year 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 year.

(23) Other income

	For the years ended 31st December	
	2014	2013
Interest income	$ 217,218	$ 158,977
Other income	576,098	309,897
Total	$ 793,316	$ 468,874

(24) Other gains and losses

	For the years ended 31st December	
	2014	2013
Net currency exchange gains	$ 267,622	$ 446,822
Gains on disposal of investments	69,247	60,745
Net gains on financial liabilities at fair value through profit or loss	43,343	3,151
Losses on disposal of property, plant and equipment	(33,789)	(3,433)
Others	(8,901)	(8,162)
Total	$ 355,324	$ 499,123

(25) Expenses by nature

	For the years ended 31st December					
	2014			2013		
Item	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefit expense	$ 1,671,438	$ 3,568,736	$ 5,240,174	$ 1,515,615	$ 3,339,935	$ 4,855,550
Depreciation	197,010	146,074	343,084	272,653	103,403	376,056
Amortization	14,768	158,386	173,154	5,873	173,774	179,647

(26) Employee benefit expense

	For the years ended 31st December	
	2014	2013
Wages and salaries	$ 4,637,872	$ 4,274,701
Labor and health insurance fees	278,650	260,898
Pension costs	186,379	167,315
Other personnel expenses	137,273	152,636
	$ 5,240,174	$ 4,855,550

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

The related parties are included in the consolidated financial statements, and the related transactions are all eliminated.

(2) Key management compensation

	For the years ended 31st December	
	2014	2013
Salaries and other short-term employee benefits	$ 300,761	$ 343,181

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

	Book value		
Pledged asset	31st December 2014	31st December 2013	Purpose
Pledged asset (accounted for as "Other current assets" and "Other non-current assets") - Pledged deposits	$ 67,623	$ 68,802	Guarantee for the customs duties and deposits

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock.

(2) Financial instruments

A. Fair value information of financial instruments

Except for those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable, other receivables, refundable deposits, short-term borrowings, notes payable, accounts payable, other payables and deposits received) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

	31st December 2014	
	Book value	Fair value
Financial assets:		
Held-to-maturity financial assets	$ 153,480	$ 153,480
Other financial assets	1,424,860	1,424,948
Total	$ 1,578,340	$ 1,578,428

	31st December 2013	
	Book value	Fair value
Financial assets:		
Held-to-marturity financial assets	$ 148,410	$ 148,113
Investments in bonds without active markets	19,662	18,543
Other financial assets	4,704,631	4,699,580
Total	$ 4,872,703	$ 4,866,236

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance. The Group uses derivative financial instruments to hedge certain risk exposures (see Note 6(2)).

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

a. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

b. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	31st December 2014					
				Sensitivity analysis		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	$ 317,344	31.72	$ 10,066,152	1%	$ 100,662	$ -
Non-monetary items						
USD:NTD	$ 3,726	31.72	$ 118,189	1%	$ 1,182	$ -
Financial liabilities						
Monetary items						
USD:NTD	$ 191,566	31.72	$ 6,076,474	1%	$ 60,765	$ -

	31st December 2013					
				Sensitivity analysis		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	$ 139,047	29.95	$ 4,164,458	1%	$ 41,645	$ -
Non-monetary items						
USD:NTD	$ 9,628	29.95	$ 288,359	1%	$ 2,884	$ -
Financial liabilities						
Monetary items						
USD:NTD	$ 216,769	29.95	$ 6,492,232	1%	$ 64,922	$ -

Price risk

a. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
b. The Group's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended 31th December 2014 and 2013 would have increased/decreased by \$10,087 and \$13,672, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$4,336 and \$5,930, respectively, as a result of gains/losses on equity securities classified as available-for-sale.

Interest rate risk

a. The domestic bond fund investment by the Group was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.
b. The structured notes and investment floating bonds of the Group were range accrual notes, the effective interest rate of these notes are affected by the market interest rate; accordingly, the Group's future cash flows would fluctuate with the market interest rate change.
c. For fixed interest rate bond investments held by the Group classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At 31st December 2014 and 2013, if market interest rates had been 1% higher/lower with all other variables held constant, other comprehensive income for the years ended 31st December 2014 and 2013 would have been \$1,829 and \$1,516 lower/higher, respectively.
d. At 31st December 2014 and 2013, if interest rates on borrowings had been 0.1% higher/lower with all other variables held constant, profit for the years ended 31st December 2014 and 2013 would have been \$0 and \$1,201 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

a. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

b. The bond fund held by the Group was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Group trades with several securities investment trust companies, credit risk is low.

c. The Group has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Group is the total amount of all book value.

d. The structured notes investment of the Group were issued by well-known banks or asset management companies, and accordingly, the credit risk of the counterparties is minimal.

e. The Group has lower significant concentrations of credit risk. It has policies in place to ensure that wholesale sales of products are made to customers with an appropriate credit history. The Group had credit insurance coverage for a majority of its customers. Accordingly, credit risk is low. No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

f. Derivative counterparties and cash transactions are limited to high-credit-quality international financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

g. Loan guarantees provided by the Group are in compliance with the Group's "Procedures for Provision of Endorsements and Guarantees" and are only provided to affiliated companies of which the Group owns directly or indirectly more than 50% ownership or a company which trades with the Group. As the Company is fully aware of the credit conditions of these related parties, it has not asked for collateral for the loan guarantees provided. In the event that these related parties fail to comply with loan agreements with banks, the maximum loss to the Group is the total amount of loan guarantees as listed above.

h. The credit quality information of financial assets that are neither past due nor impaired is provided in the statement for each type of financial assets in Note 6.

i. The individual analysis of financial assets that had been impaired is provided in the statement for each type of financial assets in Note 6.

(c) Liquidity risk

a. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

b. Potential liquidity risk of structured time deposits held by the Group lies in that those assets have no sale-back option before expiry of the contract; however, the Group may terminate the contract early before expiry, yet it shall compensate its counterparty with default penalty and handling fees for early termination of the contract or compensate for counterparty's hedging loss and related expenses incurred.

c. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

31st December 2014	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
Short-term borrowings	$ 71,326	$ -	$ -	$ 71,326
Notes payable	50,204	-	-	50,204
Accounts payable	5,487,917	-	-	5,487,917
Other payables	3,376,700	-	-	3,376,700

Non-derivative financial liabilities:

31st December 2013	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
Short-term borrowings	$ 2,605,649	$ -	$ -	$ 2,605,649
Notes payable	37,511	-	-	37,511
Accounts payable	5,423,326	-	-	5,423,326
Other payables	2,884,329	-	-	2,884,329

d. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value estimation

A. The table below analyses financial instruments measured at fair value, by valuation method.

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the Group's financial assets that are measured at fair value at 31st December 2014 and 2013:

31st December 2014	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 1,008,663	$ -	$ -	$ 1,008,663
Debt securities	182,931	-	-	182,931
Available-for-sale financial assets	366,745	-	66,846	433,591
Total	$ 1,558,339	$ -	$ 66,846	$ 1,625,185

31st December 2013	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 1,367,163	$ -	$ -	$ 1,367,163
Debt securities	151,648	-	-	151,648
Available-for-sale financial assets	390,623	-	202,371	592,994
Total	$ 1,909,434	$ -	$ 202,371	$ 2,111,805

B. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity instruments and debt instruments classified as financial assets/financial liabilities at fair value through profit or loss or available-for-sale financial assets.

C. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

D. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

E. Specific valuation techniques used to value financial instruments include:
   (a) Quoted market prices or dealer quotes for similar instruments.
   (b) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.
   (c) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

F. The following table presents the changes in level 3 instruments as at 31st December 2014 and 2013:

	For the years ended 31st December	
	2014	2013
At 1st January	$ 202,371	$ 180,843
Gains and losses recognised in profit or loss	-	(1,425)
Gains and losses recognised in other comprehensive income	(51,525)	67,953
Capital deducted by returning cash	(84,000)	(45,000)
At 31st December	$ 66,846	$ 202,371

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others:

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2014	Balance at December 31, 2014	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for shortterm financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note)	Ceiling on total loans granted (Note)	Footnote
1	Ningbo Zhongjia Technology Co., Ltd.	Giga-Zone International Co., Ltd.	Entrusted Loans	Y	$ 24,395	$ -	$ -	-	Short term financing	$ -	Operating capital	$ -	-	$ -	$ 165,828	$ 248,742	

Note: The Company's overseas subsidiaries whose voting shares are 100% owned, directly or indirectly, offer funding to one another. The total amout for lending for any one borrower shall be no more than the amount the lender trades with the borrower. For short-term financing, the lending amount shall be no more than twenty percent (20%) of the borrower's net worth.

B. Provision of endorsements and guarantees to others:

Number	Endorser /guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser /guarantor	Limit on endorsements/ guarantees provided for a single party (Note)	Maximum outstanding endorsement/ guarantee amount as of 31st December 2014	Outstanding endorsement/ guarantee amount at 31st December 2014	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Note
0	Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Subsidiaries	$ 314,008	$ 174,449	$ 174,449	$ 39,173	$ -	0.77	$ 6,773,434	Y	N	N	
1	Ningbo Zhongjia Technology Co., Ltd.	Ningbo Giga-Byte Technology Co., Ltd.	Associates	165,828	4,093	4,093	4,093	-	0.49	248,742	N	N	Y	
2	Ningbo Zhongjia Technology Co., Ltd.	Strongjet Supply Chain Co., Limited	Having business relationship	165,828	48,602	48,602	-	-	5.86	248,742	N	N	Y	
3	Ningbo Zhongjia Technology Co., Ltd.	Shenzhen Prolto Supply Chain Management Co., Ltd.	Having business relationship	165,828	2,558	2,558	-	-	0.31	248,742	N	N	Y	

Note: The Company and the subsidiaries' new ceiling of total outstanding guarantees is 30% of the Company's net value. The ceiling for single party (except the Company's 100% owned subsidiary) is 20% of net value, and should not exceed 50% of the Company's capital. However, the ceiling of the Company's 100% owned subsidiary is 20% of the Company's net value, but shall not exceed 300% of subsidiary's capital.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures):

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of 31st December 2014 Number of shares	Book value	Ownership (%)	Fair value	Note
Giga-Byte Technology Co., Ltd.	Beneficiary certificates -	Taishin Lucky Money Market Fund	None	Financial assets at fair value through profit or loss-current	17,681,985	$ 190,000	-	$ 193,386	
		CTBC Hwa-Win Money Market Fund	〃	〃	3,697,115	40,000	-	40,020	
		Hua Nan Phoenix Money Market Fund	〃	〃	1,250,352	20,000	-	20,008	
	Beneficiary certificates -	Morgan Stanley Money Market Fund	〃	〃	-	3,648	-	3,484	
		Morgan Stanley Opprotunistic Mortgage Income Fund LP	〃	〃	-	14,818	-	16,172	
	Corporate bonds -	Sinopec Capital 2013 Ltd 3.125%	〃	〃	750,000	22,261	-	22,718	
		Austratia & New Zaland Banking 4.5%	〃	〃	1,000,000	30,972	-	32,546	
		Standard Chartered PLC 3.95%	〃	〃	560,000	16,822	-	17,121	
		Barclays PLC 4.375%	〃	〃	900,000	27,146	-	27,613	
						365,667		$ 373,068	
				Gain on valuation of financial assets		7,401			
						$ 373,068			
	Mustardgiga Corp.		None	Available-for-sale financial assets-non-current	4,500	$ 1,222	-	$ -	
				Accumulated impairment		(1,222)			
						$ -			
	Chinatrust Commercial Bank Senior-Unsecured Financial Bonds 2013 Phase I		〃	Held-to-maturity financial assets-non-current		$ 153,480	-	$ 153,480	
	TWD 3 year callable spread leverage investment contract		〃	Other financial assets - non-current		$ 290,000	-	$ 290,007	
	TWD 3 year callable range accrual investment contract		〃	〃		700,000	-	700,081	
						$ 990,000		$ 990,088	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of 31st December 2014 Number of shares	Book value	Ownership (%)	Fair value	Note
Chi-Ga Investments Corp.	Walsin Technology Corporation	None	Financial assets at fair value through profit or loss-current	9,389,770	$ 198,644	1.36%	$ 114,086	
	FSITC Taiwan Bond Fund	〃	〃	1,366,537	17,812	-	20,518	
	Yuanta Wan Tai Money Market	〃	〃	5,390,918	79,483	-	80,265	
	Nomura Taiwan Money Market			7,945,356	126,239	-	127,343	
	Manulife Asia Pacific Bond Fund-A	〃	〃	1,331,876	14,818	-	15,432	
	Yuanta De-Bao Money Market Fund	〃	〃	1,442,941	17,000	-	17,043	
					453,996		$ 374,687	
			Loss on valuation of financial assets		(79,309)			
					$ 374,687			
	Info-Tek Corp.	None	Available-for-sale financial assets-current	9,406,586	$ 106,165	8.10%	$ 87,763	
			Valuation adjustment		39,225			
			Accumulated impairment		(57,627)			
					$ 87,763			
	Hui Yang Venture Capital Co., Ltd.	〃	Available-for-sale financial assets - non-current	2,100,000	$ 21,000	7.69%	$ 51,273	
	Heimavista etc.	None	None	None	11,520	0.11%~ 10.20%	15,573	
					32,520		$ 66,846	
			Valuation adjustment		38,000			
			Accumulated impairment		(3,674)			
					$ 66,846			
Giga-Trend International Investment Group Ltd.	Eastspring Investments Well Pool Money Market Fund etc.	None	Financial assets at fair value through profit or loss-current	None	$ 170,805	-	$ 174,887	
			Gain on valuation of financial assets		4,082			
					$ 174,887			
	Innodisk Corproration etc.	〃	Available-for-sale financial assets - non-current	None	$ 181,770	-	$ 192,367	
			Valuation adjustment		10,597			
					$ 192,367			
	Eversol Corporation etc.	〃	Available-for-sale financial assets - non-current	None	$ 84,373	-	$ 66,615	
			Accumulated impairment		(17,758)			
					$ 66,615			

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of 31st December 2014				Note
				Number of shares	Book value	Ownership (%)	Fair value	
Gigatrend Technology Co., Ltd.	FSITC Bond Fund	〃	Financial assets at fair value through profit or loss-current	494,294	$ 84,247	-	$ 86,608	
	FSITC Taiwan Money Market Fund	〃	〃	6,620,799	97,000	-	99,411	
			Gain on valuation of financial assets		4,772		$ 186,019	
					$ 186,019			
Freedom International Group Ltd.	STANDARD CHARTERED PLC 5.2%	〃	Financial assets at fair value through profit or loss-current	5,000	USD 523 thousand	-	USD 519 thousand	
	JPMORGAN CHASE & CO 4.125%	〃	〃	5,000	USD 503 thousand	-	USD 497 thousand	
					USD1,026 thousand		USD1,016 thousand	
			Gain on valuation of financial assets		(USD 10 thousand)			
					USD1,016 thousand			
Giga Future Limited	HSBC HOLDING PLC VRN PERPETUAL	〃	Financial assets at fair value through profit or loss-current	7,200	USD 740 thousand	-	USD 729 thousand	
	EMIRATES NBD JPSC VRN 5.75%	〃	〃	9,000	USD 906 thousand	-	USD 871 thousand	
			Loss on valuation of financial assets		(USD 46 thousand)		USD1,600 thousand	
					USD1,600 thousand			
G-Style Co., Ltd.	JM Material Technology Inc.	None	Available-for-sale financial assets - non-current	160,000	$ 20,000	10.00%	$ 20,000	
Ningbo Giga-Byte Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	-	RMB 85,000 thousand	-	RMB 85,000 thousand	

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital:

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at 1st January 2014: Number of shares	Balance as at 1st January 2014: Amount	Addition: Number of shares	Addition: Amount	Disposal: Number of shares	Disposal: Selling price	Disposal: Book value	Disposal: Gain (loss) on disposal	31st December 2014: Number of shares	31st December 2014: Amount	Note
Giga-Byte Technology Co., Ltd.	TWD 3 year callable spread investment contract	Other financial assets - non-current	None	None	-	$ 1,170,000	-	$ -	-	$ 880,000	$ 880,000	$ -	-	$ 290,000	
Ningbo Zhongjia Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	Other financial assets-current	〃	〃	-	RMB553,000 thousand	-	RMB613,000 thousand	-	RMB1,166,000 thousand	RMB1,166,000 thousand	-	-	-	
	Industrial and Commercial Bank of China Gongying No.3 Capital Guarantee RMB wealth investment products	〃	〃	〃	-	-	-	RMB106,000 thousand	-	RMB106,000 thousand	RMB106,000 thousand	-	-	-	
Ningbo Gigabyte Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	〃	-	RMB20,000 thousand	-	RMB358,280 thousand	-	RMB293,280 thousand	RMB293,280 thousand	-	-	RMB85,000 thousand	
Dongguan Gigabyte Electronics Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	〃	-	-	-	RMB243,900 thousand	-	RMB243,900 thousand	RMB243,900 thousand	-	-	-	

Note: Trading amounts are expressed in total amounts.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more:

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts Purchaser/seller Counterparty receivable (payable)	Note
Giga-Byte Technology Co., Ltd.	Giga Advance (Labuan) Limited	An indirect wholly-owned subsidiary	(Sales)	$ 13,195,257	26%	14 days after receipt of goods	The price was based on the contract price	Normal	($ 184,916)	-	Note 1
	Giga-Byte Tecnology B.V.	A wholly-owned subsidiary	〃	3,476,207	7%	30 days after receipt of goods	〃	〃	17,961	-	
	G.B.T. Inc.	〃	〃	5,857,448	12%	75 days after receipt of goods	〃	〃	1,247,537	24%	
	G.B.T. LBN Inc.	An indirect wholly-owned subsidiary	〃	1,417,204	3%	30 days after receipt of goods	〃	〃	5,200	-	
	G.B.T. LBN Inc.	〃	Processing cost	1,344,228	58%	45 days after billing	〃	〃	(383,863)	7%	
	Gigabyte Trading Inc.	〃	(Sales)	149,258	-	180 days after receipt of goods	〃	〃	5,516	-	
	G-Style Co., Ltd.	A wholly-owned subsidiary	〃	1,049,775	2%	90 days after billing	〃	〃	373,055	7%	
Giga-Byte Technology B.V.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	USD 96,154 thousand	100%	30 days after billing	The price was based on the contract price	Normal	(USD 3,124 thousand)	65%	
G.B.T. Inc.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	USD 201,450 thousand	100%	30 days after receipt of goods	The price was based on the contract price	Normal	(USD 57,420 thousand)	100%	
Giga Advance (Labuan) Limited	Giga-Byte Technology Co., Ltd.	An indirect wholly-owned subsidiary	Purchases	USD 431,299 thousand	100%	14 days after receipt of goods	The price was based on the contract price	Normal	(USD 18,428 thousand)	100%	
G-Style Co., Ltd.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	$ 1,039,524	57%	90 days after billing	The price was based on the contract price	Normal	($ 368,231)	86%	
Giga Advance (Labuan)	Ningbo Zhongjia Technology Co., Ltd.	Associates	(Sales)	USD 430,770 thousand	100%	14 days after receipt of goods	The price was based on the contract price	Normal	USD 20,242 thousand	100%	

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount		Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts Purchaser/seller Counterparty receivable (payable)	Note
G.B.T. LBN Inc.	Ningbo Gigabyte Technology Co., Ltd.	Associates	Purchases	USD	18,596 thousand	18%	60 days after billing	The price was based on the contract price	Normal	(USD 639 thousand)	9%	
	〃	〃	〃	RMB	70,541 thousand	11%	〃	〃	〃	(RMB 25,400 thousand)	59%	
	Dongguan Gigabyte Electronics Co., Ltd.	〃	〃	USD	15,871 thousand	16%	〃	〃	〃	(USD 303 thousand)	4%	
	〃	〃	〃	RMB	69,822 thousand	11%	〃	〃	〃	(RMB 10,811 thousand)	25%	
	Ningbo Zhongjia Technology Co., Ltd.	〃	(Sales)	USD	43,089 thousand	43%	〃	〃	〃	-	-	
	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	〃	USD	12,491 thousand	12%	〃	〃	〃	USD 4,786 thousand	42%	
Ningbo Zhongjia Technology Co., Ltd.	Giga Advance (Labuan) Limited	Associates	Purchases	RMB	2,725,814 thousand	90%	14 days after receipt of goods	The price was based on the contract price	Normal	(RMB 108,511 thousand)	92%	
	G.B.T. LBN Inc.	〃	〃	RMB	266,625 thousand	9%	60 days after billing	〃	〃	-	-	
Ningbo Gigabyte Technology Co., Ltd.	G.B.T. LBN Inc.	Associates	(Sales)	RMB	70,541 thousand	38%	60 days after billing	The price was based on the contract price	Normal	RMB 25,400 thousand	87%	
	〃	〃	〃	USD	18,596 thousand	62%	〃	〃	〃	USD 639 thousand	13%	
Dongguan Gigabyte Electronics Co., Ltd.	G.B.T. LBN Inc.	Associates	(Sales)	RMB	69,822 thousand	42%	60 days after billing	The price was based on the contract price	Normal	RMB 10,811 thousand	85%	
	〃	〃	〃	USD	15,871 thousand	58%	〃	〃	〃	USD 303 thousand	15%	

Note 1:The ending account for Giga Advance (Labuan) Limited is advance receipts.

Note2: The balance is not adjusted in accordance with the rules prescribed in the Tai-Tsai-Tseng (Chi) Letter No. 01644 issued by the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more:

Creditor	Counterparty	Relationship with the counterparty	Balance as at 31st December 2014	Turnover rate	Overdue receivables: Amount	Overdue receivables: Amount Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	A wholly-owned subsidiary	$ 1,247,537	4.80	$ -	-	$ 951,714	$ -
	G-Style Co., Ltd.	A wholly-owned subsidiary	373,055	4.13	-	-	171,083	-
Giga Advance (Labuan) Limited	Ningbo Zhongjia Technology Co., Ltd.	Associates	USD 20,242 thousand	13.13	-	-	USD 20,231 thousand	-
Ningbo Giga-Byte Technology Co., Ltd.	G.B.T. LBN Inc.	〃	RMB 25,400 thousand	4.03	-	-	RMB 25,400 thousand	-
G.B.T. LBN Inc.	Giga-Byte Technology Co., Ltd.	A indirect wholly-owned subsidiary	USD 4,786 thousand	5.57	-	-	USD 3,072 thousand	-

Note: The balance is not adjusted in accordance with the rules prescribed in the Tai-Tsai-Tseng (Chi) Letter No. 01644 issued by the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan.

I. Derivative financial instruments undertaken during the year ended 31st December 2014: Notes 6(2) and 12(2).

J. Significant inter-company transactions during the year ended 31st December 2014:

For the year ended 31st December 2014

Number	Company name	Counterparty	Relationship	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets
0	Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Parent company to its subsidiary	Sales	$ 3,476,207	Note 3	6%
		G.B.T. Inc.	〃	〃	5,857,448	〃	11%
		Giga Advance (Labuan) Limited	Parent company to its indirect subsidiary	〃	13,195,257	〃	24%
		Gigabyte Trading Inc.	〃	〃	149,258	Note 5	-
		G.B.T. LBN Inc.	〃	〃	1,417,204	Note 3	3%
		G-Style Co., Ltd.	Parent company to its subsidiary	〃	1,049,775	Note 1	2%
		G.B.T. LBN Inc.	Parent company to its indirect subsidiary	Processing expenses	1,344,228	Note 3	2%
		GigaByte Technology Pty. Ltd.	Parent company to its subsidiary	Service expense	55,755	Note 2	-
		G.B.T. LBN Inc.	Parent company to its indirect subsidiary	Purchases	374,403	Note 3	1%
		〃	〃	Other expense	125,735	〃	-
		〃	〃	Accounts payable	393,049	〃	1%
		G.B.T. Inc.	Parent company to its subsidiary	Accounts receivable	1,247,537	〃	4%
		Giga Advance (Labuan) Limited	Parent company to its indirect subsidiary	Advance receipts	159,894	〃	-
		G-Style Co., Ltd.	Parent company to its subsidiary	Accounts receivable	373,055	Note 1	1%
1	Giga-Byte Technology B.V.	G.B.T. Technology Trading GmbH,etc.	Subsidiary to subsidiary	Commission	159,206	Note 5	-
2	Ningbo Zhongjia Technology Co., Ltd.	Ningbo BestYield Tech. Services Co.,Ltd.	Indirect subsidiary to indirect subsidiary	Warranty cost	232,760	〃	-
3	Giga Advance (Labuan) Limited	Ningbo Zhongjia Technology Co., Ltd.	Indirect subsidiary to indirect subsidiary	Sales	13,044,133	Note 1	24%
		Ningbo Zhongjia Technology Co., Ltd.	〃	Accounts receivable	642,032	〃	2%
4	G.B.T. LBN Inc.	Dongguan Gigabyte Electronice Co.,Ltd.	Indirect subsidiary to indirect subsidiary	Accounts payable	65,405	Note 2	-
		Ningbo Gigabyte Technology Co., Ltd.	〃	〃	151,739	〃	-
		〃	〃	Purchases	910,380	〃	2%
		Dongguan Gigabyte Electronice Co.,Ltd.	〃	〃	824,035	〃	2%
		Ningbo Zhongjia Technology Co., Ltd.	〃	Sales	1,304,776	Note 1	2%

Note A : Credit terms were 60 days after billing or 90 days upon receipt of goods.

Note B : Credit terms were 45 days after billing.

Note C : Credit terms were 30 days after billing.

Note D : Credit terms were 90 days after billing.

Note E : Credit terms were 180 days upon receipt of goods.

(2)Information on investees (not including investees in Mainland China)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at 31st December 2014	Initial investment amount: Balance as at 31st December 2013	Shares held as at 31st December 2014: Number of shares	Shares held as at 31st December 2014: Ownership (%)	Shares held as at 31st December 2014: Book value	Net profit (loss) of the investee for the year ended 31st December 2014	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Note
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	$ 4,617,682	$ 4,517,105	142,671,692	100.00	$ 6,011,831	$ 230,194	$ 230,194	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Chi-Ga Investments Corp.	Taiwan	Holding company	1,775,000	1,775,000	177,500,000	100.00	1,822,994	30,358	30,358	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	610,000	610,000	61,000,000	100.00	424,402	(54,936)	(54,936)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Communication Inc.	Taiwan	Manufacturing and selling of communications	345,782	345,782	34,578,228	99.12	108,383	(94,208)	(94,208)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Zone International Co., Ltd.	Taiwan	Selling of PC peripherals	54,965	54,965	9,142,702	100.00	20,430	(16,797)	(19,923)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Selling of motherboards	25,984	25,984	8,500	100.00	87,672	65,727	65,727	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd	UK	Selling of motherboards	47,488	47,488	800,000	100.00	9,353	3,069	2,683	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Selling of motherboards	3,495	3,495	1,000	100.00	2,769	435	435	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Advance (Labuan)Limited	Malaysia	Selling of motherboards	-	328	-	-	-	5,752	740	The Company's indirect subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Selling of motherboards	24,614	24,614	-	100.00	51,178	4,936	5,875	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Selling of motherboards	9,346	9,346	400,000	100.00	14,384	874	514	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Selling of motherboards	182,868	182,868	4,600,000	100.00	10,402	(771)	(771)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Global Business Corporation	U.S.A.	ODM Business	322	322	1,000	100.00	317	-	-	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Repairing of motherboards	241	241	5,000	100.00	3,056	831	831	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Selling of motherboards	90,660	16,701	54,116	48.63	16,846	28,105	13,667	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Repairing of motherboards	3,541	3,541	8,000	100.00	4,267	(65)	(264)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC	South Korea	Selling of motherboards	22,534	22,534	168,000	100.00	33,567	1,564	1,564	The Company's subsidiary
Giga-Byte Technology B.V.	Gigabyte Technology France	France	Selling of motherboards	6,200	6,200	200,000	100.00	12,342	573	-	The Company's indirect subsidiary
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Poland	Repairing of motherboards	500	500	100	100.00	1,420	146	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	1,844,922	1,744,344	57,032,142	100.00	2,962,333	154,084	-	The Company's indirect subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at 31st December 2014	Initial investment amount: Balance as at 31st December 2013	Shares held as at 31st December 2014: Number of shares	Shares held as at 31st December 2014: Ownership (%)	Shares held as at 31st December 2014: Book value	Net profit (loss) of the investee for the year ended 31st December 2014	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Note
Freedom International Group Ltd.	G.B.T. LBN Inc.	Malaysia	Selling of motherboards	$ -	$ -	-	100.00	($ 161,281)	($ 51,281)	$ -	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Selling of motherboards	109,459	31,326	57,169	51.37	17,799	28,105	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Gigabyte Trading Inc.	U.S.A.	ODM Business	1,623	1,623	50,000	100.00	1,100	(961)	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	2,917,516	52,527	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Aorus Pte. Ltd.	Singapore	Selling of motherboards	60,757	60,757	3,073,000	100.00	27,106	(5,992)	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Cloud Ride Limited	British Virgin Islands	Selling of communications	-	99,336	-	100.00	-	60,163	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Advance (Labuan)Limited	Malaysia	Selling of motherboards	5,648	-	10,000	100.00	11,160	5,752	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Gigatrend Technology Co., Ltd.	Taiwan	Manufacturing and selling electronic components and parts	175,000	175,000	17,500,000	100.00	195,703	(587)	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	623,390	600,000	62,339,000	100.00	668,851	20,929	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Giga-Trend International Management Group Ltd.	Taiwan	Venture capital management and consulting company	6,000	6,000	600,000	60.00	15,743	7,541	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Senyun Precise Optical Co.,Ltd	Taiwan	Manufacturing and selling of optical lens	207,000	207,000	207,700,000	49.87	217,249	15,447	-	Subsidiary's investee company accounted for under the equity
Chi-Ga Investments Corp.	Gigazone Holdings Limited	British Virgin Islands	Holding company	173,928	150,557	34,500	100.00	35,249	(58,320)	-	The Company's indirect subsidiary
Chi-Ga Investment Corp.	Qsan Technology, Inc.	Taiwan	Manufacturing of information storage and disposal equipment	48,600	-	2,700,000	24.25	48,770	2,796	-	Subsidiary's investee company accounted for under the equity method
Giga-Byte Communication Inc.	Giga Win Limited	Mauritius	Selling of communications	3,770	3,770	100,000	100.00	3,833	10	-	The Company's indirect subsidiary
Giga-Zone International Co., Ltd.	Gigazone Holdings Limited	British Virgin Islands	Holding company	-	53,204	-	-	-	-	-	The Company's indirect subsidiary
Gigatrend Technology Co., Ltd.	Green Share Co., Ltd.	Taiwan	Wholesale of information software	8,160	-	816,000	51.00	7,835	(325)	-	The Company's indirect subsidiary
Cloud Ride Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	-	3,000	100.00	12,754	1,251	-	The Company's indirect subsidiary
Giga-Trend International Investment Group Ltd.	Qsan Technology, Inc.	Taiwan	Manufacturing of information storage and disposal equipment	32,175	32,175	1,787,500	16.06	32,287	2,796	-	Subsidiary's investee company accounted for under the equity method
Ningbo BestYield Tech. Services Co.,Ltd.	Cloud Ride Limited	British Virgin Islands	Selling of communications	100,577	-	3,300,000	100.00	103,832	60,163	-	The Company's indirect subsidiary

(3)Information on investments in Mainland China

A. Basic information:

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of 1st January 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended 31st December 2014		Accumulated amount of remittance from Taiwan to Mainland China as of 31st December 2014	Net income of investee as of 31st December 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Book value of investment in Mainland China as of 31st December 2014	Accumulated amount of investment income remitted back to Taiwan as of 31st December 2014	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of motherboards	$ 1,180,937	(Note A)	$ 1,180,937	$ -	-	$ 1,180,937	$ 35,006	100	$ 35,006	$ 1,748,707	$ -	The Company's indirect subsidiary
Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of motherboards	2,780,313	(Note A)	2,780,313	-	-	2,780,313	44,816	100	44,816	2,830,819	-	The Company's indirect subsidiary
Ningbo Giga-Byte International Trade Co., Ltd.	Selling of motherboards	259,752	(Note A)	259,752	-	-	259,752	118,923	100	118,923	1,018,018	-	The Company's indirect subsidiary
Ningbo Best Yield Technology Services Co., Ltd.	Repairing of motherboards	165,515	(Note A)	165,515	100,577	-	165,515	3,233	100	3,233	171,293	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Selling of motherboards	109,838	(Note B)	-	-	-	-	127,764	100	127,764	829,244	-	The Company's indirect subsidiary
Gigazone International (Shenzhen)	Selling of PC peripherals	350,131	(Note C)	203,761	-	-	203,761	(75,892)	100	(75,892)	169,891	-	The Company's indirect subsidiary

Note A: Invested by Charleston Investments Limited and Giga Future Limited., which are subsidiaries of Freedom International Group Ltd.

Note B: Invested by Ningbo Giga-Byte International Trade CO., Ltd., which is a subsidiary of Charleston Investment Ltd.

Note C: Invested by Gigazone Holdings Limited 58.97%, which is a subsidiary of Chi-Ga Investment Corp.; and invested by Ningbo Zhongjia Technology Co., Ltd. 41.03%, which is a subsidiary of Ningbo Giga-Byte International Trade Co., Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of 31st December 2014	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note)
Giga-Byte Technology Co., Ltd.	$ 4,386,517	$ 4,386,517	$ 13,546,868
Chi-Ga Investments Corp.	203,761	203,761	1,083,542

B. Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas.

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements / guarantees or collaterals		Financing				Others
	Amount	%	Amount	%	Amount	%	Balance at 31st December 2014	Purpose	Maximum balance during the year ended 31st December 2014	Balance at 31st December 2014	Interest rate	Interest during the year ended 31st December 2014	
Ningbo Giga-Byte Technology Co., Ltd.	$ 4,690	-	$ -	-	$ 13,858	-	$ -	-	$ -	$ -	-	-	Processing cost paid at $668,890
Ningbo Giga-Byte International Trade Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	
Ningbo Zhongjia Technology Co., Ltd.	14,278,407	28	-	-	573,925	11	-	-	-	-	-	-	
Dongguan Gigabyte Electronics Co., Ltd.	11,172	-	-	-	25,149	-	-	-	-	-	-	-	Processing cost paid at $675,338
Ningbo Best Yield Technology Services Co., Ltd.	50,979	-	-	-	3,981	-	-	-	-	-	-	-	

14. SEGMENT INFORMATION

(1) General information

The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's operating segments are segregated into the global brand business group and other business group based on the revenues from all sources.

Global brand business group: in charge of the development and sale of main boards, interface cards, notebooks and computer peripherals.

Other business group: in charge of the development and sale of network & communication products and cell phones.

The Group's company organization, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income (loss).

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

2014

	Global brand business group	Other business group	Total
Total segment revenue	$ 47,703,200	$ 6,838,487	$ 54,541,687
Operating income (loss)	$ 2,846,906	($ 1,041,370)	$ 1,805,536
Depreciation and amortization	$ 61,833	$ 454,405	$ 516,238
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

2013

	Global brand business group	Other business group	Total
Total segment revenue	$ 44,978,977	$ 6,140,017	$ 51,118,994
Operating income (loss)	$ 2,672,022	($ 867,853)	$ 1,804,169
Depreciation and amortization	$ 69,855	$ 485,848	$ 555,703
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

Note: As the Group's assets and liabilities are not the measurement items used by the chief operating decision-maker in evaluating segments, the measurement amount of the assets and liabilities that shall be disclosed is zero.

(4) Reconciliation for segment income (loss)

The revenue from external parties and segment profit (loss) reported to the chief operating decision-maker are measured in a manner consistent with those in the statement of comprehensive income. Therefore, such reconciliation is not required.

(5) Information on products and services

The revenue from external parties was derived primarily from the development and sale of main boards, interface cards, notebooks, computer peripherals, network & communication products and cell phones.

(6) Geographical information

1) Revenue by geographic area:

	For the years ended 31st December	
	2014	2013
China	$ 15,825,331	$ 13,904,862
Europe	15,779,293	13,179,842
Taiwan	2,919,047	3,234,969
Others	20,018,016	20,799,321
Total	$ 54,541,687	$ 51,118,994

2) Non-current assets:

	For the years ended 31st December	
	2014	2013
Taiwan	$ 2,907,080	$ 2,473,722
China	1,978,366	1,996,936
Others	209,143	199,617
Total	$ 5,094,589	$ 4,670,275

(7) Major customer information

There was no customer accounting for more than 10% of the Group's operating revenue for the years ended 31st December 2014 and 2013.

V. Audited Consolidated Financial Statements in the most recent year

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To: The Board of Directors and Shareholders of
Giga-Byte Technology Co., Ltd.

We have audited the accompanying unconsolidated balance sheets of Giga-Byte Technology Co., Ltd. as of 31st December 2014 and 2013, and the related unconsolidated statements of comprehensive income, of changes in shareholders' equity and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of certain investee companies accounted for under the equity method as of and for the years ended 31st December 2014 and 2013 were audited by other auditors, whose reports thereon were furnished to us. Long-term equity investment balance in these investee companies amounted to $81,057 thousand and $306,284 thousand as of 31st December 2014 and 2013, respectively, and the related investment loss recognized amounted to $282 thousand and $13,701 thousand for the years then ended. Our opinion, insofar as it relates to the amounts included in the financial statements and information disclosed in Note 13 relating to these long-term equity investments, is based solely on the reports of the other auditors.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the unconsolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Giga-Byte Technology Co., Ltd. as of 31st December 2014 and 2013, and its financial performance and cash flows for the years then ended in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers".

We have also audited the consolidated financial statements of Giga-Byte Technology Co., Ltd. and its subsidiaries (not presented herein) as of and for the years ended 31st December 2014 and 2013, and have expressed a modified unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan
16th March 2015

The accompanying unconsolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying unconsolidated 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.

GIGA-BYTE TECHNOLOGY CO., LTD.
UNCONSOLIDATED BALANCE SHEETS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

			31st December 2014		31st December 2013	
	ASSETS	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 5,443,560	16	$ 4,604,386	15
1110	Financial assets at fair value through profit or loss - current	6(2)	373,068	1	752,079	2
1150	Notes receivable-net		5,670	-	9,331	-
1170	Accounts receivable-net	6(3)	3,464,645	11	1,915,947	6
1180	Accounts receivable-related parties-net	7	1,650,389	5	2,945,484	9
1200	Other receivables		375,213	1	258,806	1
130X	Inventories-net	6(4)	8,500,026	26	8,041,523	26
1470	Other current assets		525,441	2	120,163	-
11XX	Total current assets		20,338,014	62	18,647,719	59
	Non-current assets					
1527	Held-to-maturity financial assets- non-current	6(5)	153,480	-	148,410	1
1546	Investments in bonds without active markets – non-current	6(6)	-	-	19,662	-
1550	Investments accounted for under equity method	6(7)	8,621,851	26	8,171,901	26
1600	Property, plant and equipment-net	6(8)	2,237,019	7	2,148,656	7
1760	Investment property-net	6(9)	151,174	-	149,405	-
1780	Intangible assets		33,245	-	26,050	-
1840	Deferred income tax assets	6(14)	251,668	1	245,461	1
1900	Other non-current assets	6(10) and 8	1,177,337	4	2,019,611	6
15XX	Total non-current assets		12,625,774	38	12,929,156	41
1XXX	TOTAL ASSETS		$ 32,963,788	100	$ 31,576,875	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
UNCONSOLIDATED BALANCE SHEETS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31st December 2014 Amount	%	31st December 2013 Amount	%
	Current liabilities					
2150	Notes payable		$ 47,265	-	$ 29,150	-
2170	Accounts payable		5,249,553	16	5,165,047	16
2180	Accounts payable-related parties	7	395,214	1	383,162	1
2200	Other payables	6(11)	2,861,716	9	2,425,012	8
2230	Current income tax liabilities	6(14)	224,760	1	243,599	1
2250	Provisions for liabilities - current	6(12)	445,494	2	445,408	2
2300	Other current liabilities		769,675	2	646,435	2
21XX	Total current liabilities		9,993,677	31	9,337,813	30
	Non-current liabilities					
2570	Deferred income tax liabilities	6(14)	23,889	-	15,737	-
2600	Other non-current liabilities	6(13)	386,120	1	384,640	1
25XX	Total non-current liabilities		410,009	1	400,377	1
2XXX	Total liabilities		10,403,686	32	9,738,190	31
	Equity					
	Share capital	6(15)				
3110	Common stock		6,288,829	19	6,265,714	20
	Capital surplus	6(16)				
3200	Capital surplus		4,592,155	14	4,587,562	15
	Retained earnings	6(17)				
3310	Legal reserve		3,185,601	10	2,950,047	9
3320	Special reserve		426,354	1	426,354	1
3350	Unappropriated retained earnings		7,631,177	23	7,341,889	23
	Other equity					
3400	Other equity		435,986	1	267,119	1
3XXX	Total equity		22,560,102	68	21,838,685	69
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 32,963,788	100	$ 31,576,875	100

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD.

UNCONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

			For the years ended 31st December			
			2014		2013	
		Notes	Amount	%	Amount	%
4000	Operating revenue	7	$ 50,505,531	100	$ 46,717,780	100
5000	Operating costs	6(4)(22)(23) and 7	(42,803,176)	(85)	(39,504,377)	(85)
5900	Gross profit		7,702,355	15	7,213,403	15
	Operating expenses	6(22)(23) and 7				
6100	Selling expenses	7	(2,863,262)	(6)	(2,355,502)	(5)
6200	General & administrative expenses		(1,139,109)	(2)	(990,321)	(2)
6300	Research and development expense		(1,806,240)	(3)	(1,926,424)	(4)
6000	Total operating expenses		(5,808,611)	(11)	(5,272,247)	(11)
6900	Operating profit		1,893,744	4	1,941,156	4
	Non-operating revenue and expenses					
7010	Other income	6(20)	388,254	1	255,014	1
7020	Other gains and losses	6(21)	357,565	1	303,244	1
7050	Finance costs		(601)	-	(742)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(7)	182,486	-	133,484	-
7000	Total non-operating revenue and expenses		927,704	2	691,000	2
7900	Profit before income tax		2,821,448	6	2,632,156	6
7950	Income tax expense	6(14)	(424,347)	(1)	(276,620)	(1)
8200	Profit for the year		2,397,101	5	$ 2,355,536	5
	Other comprehensive income-net					
8310	Currency translation differences		$ 206,937	-	300,038	1
8360	Actuarial gain on defined benefit plan	6(14)	9,889	-	14,328	-
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method		(38,070)	-	114,905	-
8399	Income tax relating to the components of other comprehensive income	6(14)	(1,680)	-	(2,436)	-
8300	Other comprehensive income for the year, net of tax		$ 177,076	-	$ 426,835	1
8500	Total comprehensive income for the year		$ 2,574,177	5	$ 2,782,371	6
9750	Basic earnings per share	6(19)	$	3.82	$	3.76
9850	Diluted earnings per share		$	3.74	$	3.69

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

See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD.
UNCONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

				Retained earnings			Other equity		
	Note	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Currency translation differences	Unrealised gain (loss) on valuation of available-for-sale financial assets	Total equity
2013									
Balance at 1st January 2013		$ 6,258,914	$ 4,585,372	$ 2,794,790	$ 426,354	$ 6,382,171	($ 158,930)	$ 11,106	$ 20,299,777
Appropriations of 2012 earnings:	6(17)								
Legal reserve		-	-	155,257	-	(155,257)	-	-	-
Cash dividends		-	-	-	-	(1,252,453)	-	-	(1,252,453)
Share-based payment	6(18)	6,800	2,190	-	-	-	-	-	8,990
Profit for the year		-	-	-	-	2,355,536	-	-	2,355,536
Other comprehensive income for the year		-	-	-	-	11,892	300,038	114,905	426,835
Balance at 31st December 2013		$ 6,265,714	$ 4,587,562	$ 2,950,047	$ 426,354	$ 7,341,889	$ 141,108	$ 126,011	$ 21,838,685
2014									
Balance at 1st January 2014		$ 6,265,714	$ 4,587,562	$ 2,950,047	$ 426,354	$ 7,341,889	$ 141,108	$ 126,011	$ 21,838,685
Appropriations of 2013 earnings:	6(17)								
Legal reserve		-	-	235,554	-	(235,554)	-	-	-
Cash dividends		-	-	-	-	(1,880,468)	-	-	(1,880,468)
Share-based payment	6(18)	23,115	4,593	-	-	-	-	-	27,708
Profit for the year		-	-	-	-	2,397,101	-	-	2,397,101
Other comprehensive income for the year		-	-	-	-	8,209	206,937	(38,070)	177,076
Balance at 31st December 2014		$ 6,288,289	$ 4,592,155	$ 3,185,601	$ 426,354	$ 7,631,177	$ 348,045	$ 87,941	$ 22,560,102

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD.
UNCONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended 31st December 2014	2013
Cash flows from operating activities			
Profit before income tax		$ 2,821,448	$ 2,632,156
Adjustments to reconcile profit before income tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(8)(22)	95,690	89,966
Depreciation charge on investment property	6(9)	1,074	1,046
Amortisation	6(22)	155,865	169,062
Provision for (reversal of) doubtful accounts	6(3)	25,428	(274)
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)(21)	(4,250)	(2,055)
Interest expense		601	742
Interest income	6(20)	(64,491)	(59,371)
Share of loss (profit) of subsidiaries and associates accounted for under the equity method	6(7)	(182,486)	(133,484)
(Gain) loss on disposal of property, plant and equipment	6(8)(21)	(293)	1,177
Gain on disposal of investments in bonds without active markets	6(6)(21)	(638)	(882)
Loss on disposal of investments accounted for under equity method		1,094	
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets and liabilities at fair value through profit or loss	6(2)	383,261	(195,364)
Notes receivable		3,659	(2,520)
Accounts receivable	6(3)	(209,833)	(76,363)
Other receivables		(116,407)	(59,933)
Inventories	6(4)	(458,503)	(850,534)
Other current assets		(405,277)	(43,321)
Net changes in liabilities relating to operating activities			
Notes payable		18,115	8,470
Accounts payable		96,558	(878,380)
Other payables	6(11)	432,163	714,813
Provisions for liabilities	6(12)	86	2,797
Other current liabilities	6(13)	123,240	273,422
Other non-current liabilities	6(14)	11,173	3,329
Cash generated from operations		2,727,277	1,594,499
Interest received	6(20)	64,491	59,371
Interest paid		(601)	(742)
Income tax paid	6(14)	(422,922)	(46,950)
Net cash provided by operating activities		2,348,245	1,606,178

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
UNCONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended 31st December 2014	2013
Cash flows from investing activities			
Acquisition of investments in bonds without active markets	6(6)	$ -	($ 20,912)
Proceeds from disposal of investments in bonds without active markets	6(6)	19,766	51,396
Acquisition of held-to-maturity financial assets	6(5)	-	(148,410)
Acquisition of investments accounted for under equity method	6(7)	(174,536)	(585,884)
Proceeds from disposal of investments accounted for under equity method		5,648	-
Proceeds from liquidation of long-term equity investment-subsidiary	6(7)	-	31,237
Acquisition of property, plant and equipment	6(8)	(187,376)	(77,544)
Proceeds from disposal of property, plant and equipment	6(8)	773	870
Decrease in refundable deposits		4,539	3,745
Acquisition of intangible assets		(59,721)	(31,091)
Decrease (increase) in other financial assets	6(10)	880,000	(290,000)
Increase in other non-current assets	6(10)	(145,604)	(123,434)
Net cash provided by (used in) investing activities		343,489	(1,190,027)
Cash flows from financing activities			
Increase (decrease) in deposits received		200	(155)
Cash dividends paid	6(17)	(1,880,468)	(1,252,453)
Employee stock options exercised	6(18)	27,708	8,990
Net cash used in financing activities		(1,852,560)	(1,243,618)
Increase (decrease) in cash and cash equivalents		839,174	(827,467)
Cash and cash equivalents at beginning of year	6(1)	4,604,386	5,431,853
Cash and cash equivalents at end of year	6(1)	$ 5,443,560	$ 4,604,386

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated 16th March 2015.

GIGA-BYTE TECHNOLOGY CO., LTD.
NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS
31ST DECEMBER 2014 AND 2013
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1.HISTORY AND ORGANIZATION

Giga-Byte Technology Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on 30th April 1986. The address of the Company's registered office is No.6, Baoqiang Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.). The Company is engaged in the manufacture, processing and trading of computer peripheral and component parts. The Company's shares have been traded on the Taiwan Stock Exchange since 24th September 1998.

2.THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE UNCONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These unconsolidated financial statements were authorized for issuance by the Board of Directors on 16th March 2015.

3.APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1)Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

None.

(2)Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taiwan GreTai Securities Market or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers " effective January 1, 2015 (collectively referred herein as the "2013 version of IFRSs") in preparing the financial statements. The related new standards, interpretations and amendments are listed below:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendments to IFRS 1)	July 1, 2010
Severe hyperinflation and removal of fixed dates for first-time adopters (amendments to IFRS 1)	July 1, 2011
Government loans (amendments to IFRS 1)	January 1, 2013
Disclosures—Transfers of financial assets (amendments to IFRS 7)	July 1, 2011
Disclosures—Offsetting financial assets and financial liabilities (amendments to IFRS 7)	January 1, 2013
IFRS 10, 'Consolidated financial statements'	January 1, 2013

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
	(Investment entities: January 1, 2014)
IFRS 11,'Joint arrangements'	January 1, 2013
IFRS 12,'Disclosure of interests in other entities'	January 1, 2013
IFRS 13, 'Fair value measurement'	January 1, 2013
Presentation of items of other comprehensive income (amendments to IAS 1)	July 1, 2012
Deferred tax: recovery of underlying assets (amendments to IAS 12)	January 1, 2012
IAS 19 (revised), 'Employee benefits'	January 1, 2013
IAS 27,'Separate financial statements' (as amended in 2011)	January 1, 2013
IAS 28,'Investments in associates and joint ventures' (as amended in 2011)	January 1, 2013
Offsetting financial assets and financial liabilities (amendments to IAS 32)	January 1, 2014
IFRIC 20, 'Stripping costs in the production phase of a surface mine'	January 1, 2013
Improvements to IFRSs 2010	January 1, 2011
Improvements to IFRSs 2009—2011	January 1, 2013

Based on the Company's assessment, the adoption of the 2013 version of IFRS has no significant impact on the unconsolidated financial statements of the Company, except for the following:

A. IAS 19 (revised), 'Employee benefits'

The revised standard eliminates the corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service cost will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expenses, is recognised in other comprehensive income. An entity is required to recognise termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognises any related restructuring costs. Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity's future cash flows. Net interest income, calculated by applying the discount rate to the net defined benefit liability, replaces the finance charge and expected return on plan assets. Therefore, operating expenses would be decreased by $623 and other comprehensive income would be decreased by $623 for the year ended 31st December 2014.

B. IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Company will adjust its presentation of the statement of comprehensive income.

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Company will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D. IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Company's assessment, the adoption of the standard has no significant impact on its unconsolidated financial statements, and the Company will disclose additional information about fair value measurements accordingly.

E. IAS 28, 'Investments in associates and joint ventures' (as amended in 2011)

As consequential amendments resulting from the issuance of IFRS 11, 'Joint arrangements', IAS 28 (revised) sets out the requirements for the application of the equity method when accounting for investments in joint ventures. A portion of an investment in an associate or a joint venture that meets the criteria to be classified as held for sale shall be measured at fair value less costs to sell. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. When an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

Except for Note 3(2)A, for the above items, the Company is assessing their impact on the unconsolidated financial statements and will disclose the affected amounts accordingly.

(3)IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRS as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	January 1, 2016
'Investment Entities: Applying the Consolidation Exception' (IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2017
Disclosure Initiative (amendments to IAS 1)	January 1, 2016
Clarification of acceptable methods of depreciation and amortization (amendments to IAS 16 and IAS 38)	January 1, 2016

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Company is assessing the potential impact of the new standards, interpretations and amendments above and has not yet been able to reliably estimate their impact on the unconsolidated financial statements.

4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1)Compliance statement

The unconsolidated financial statements were prepared in accordance with the 'Regulations Governing the Preparation of Financial Reports by Securities Issuers'.

(2)Basis of preparation

A.Except for the following items, these unconsolidated financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b)Available-for-sale financial assets measured at fair value.

(c)Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B.The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3)Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The unconsolidated financial statements are presented in NT dollars, which is the Company's functional currency.

A.Foreign currency transactions and balances

(a)Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b)Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c)Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d)All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B.Translation of foreign operations

(a)The operating results and financial position of all the Company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i.Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii.Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii.All resulting exchange differences are recognised in other comprehensive income.

(b)When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c)When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4)<u>Classification of current and non-current items</u>

A.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 realised, or are intended to be sold or consumed within the normal operating cycle;

(b)Assets held mainly for trading purposes;

(c)Assets that are expected to be realised within twelve months from the balance sheet date;

(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.

B.Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a)Liabilities 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;

(d)Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5)Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6)Financial assets at fair value through profit or loss

A.Financial assets at fair value through profit or loss are financial assets held for trading. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.

B.On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using settlement date accounting.

C.Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(7)Available-for-sale financial assets

A.Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

B.Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income.

(8)Held-to-maturity financial assets

A.Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity date that the Company has the positive intention and ability to hold to maturity other than those that meet the definition of loans and receivables and those that are designated as at fair value through profit or loss or as available-for-sale on initial recognition.

B.On a regular way purchase or sale basis, held-to-maturity financial assets are recognised and derecognised using settlement date accounting.

C.Held-to-maturity financial assets are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(9)Loans and receivables

A.Accounts receivable

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

B.Bond investments without active market

(a)Bond investments without active market are loans and receivables not originated by the entity. They are bond investments with fixed or determinable payments that are not quoted in an active market, and also meet all of the following conditions:

i. Not designated on initial recognition as at fair value through profit or loss;

ii. Not designated on initial recognition as available-for-sale;

iii. Not for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

(b)On a regular way purchase or sale basis, bond investments without active market are recognised and derecognised using settlement date accounting.

(c)Bond investments without active market are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(10)Impairment of financial assets

A.The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B.The criteria that the Company uses to determine whether there is objective evidence of an impairment loss is as follows:

(a)Significant financial difficulty of the issuer or debtor;

(b)A breach of contract, such as a default or delinquency in interest or principal payments;

(c)The Company, for economic or legal reasons relating to the borrower's financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d)It becomes probable that the borrower will enter bankruptcy or other financial reorganization ;

(e)The disappearance of an active market for that financial asset because of financial difficulties;

(f)Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or

(g)A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C.When the Company assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a)Financial assets measured at amortised cost

The amount of the impairment loss is 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, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b)Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(11)Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(12)Investments accounted for using equity method / subsidiaries and associates

A.Subsidiaries refer to the entities (including special purpose entities) that the Company has control over their financial and operating policies and own more than 50% of voting shares directly or indirectly. The Company evaluates investments in subsidiaries accounted under equity method in these non-consolidated financial statements.

B.Unrealised profit (loss) occurred from the transactions between the Company and subsidiaries have been offset. The accounting policies of the subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C.The Company's share of its subsidiaries' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D.When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

E.Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

F.The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

G.When changes in an associate's equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Company's ownership percentage of the associate, the Company recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

H.Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

I.When the Company disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

J.Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) of the current period and other comprehensive income in the non-consolidated financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the non-consolidated financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(13)Property, plant and equipment

A.Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B.Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C.Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D.The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	5～55 years
Machinery and equipment	3～ 9 years
Research and development equipment	3～ 8 years
Office equipment	3～ 5 years
Other tangible operating assets	3～10 years

(14)Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 50 years.

(15)Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 10 years.

(16)Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(17)Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(18)Provisions

Warranty provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(19)Employee benefits

A.Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B.Pensions

(a)Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b)Defined benefit plans

i.Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) instead.

ii.Actuarial gains and losses arising on defined benefit plans are recognised in profit or loss using the 'corridor' method in the period in which they arise.

iii.Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C.Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Company calculates the number of shares of employees' stock bonus based on the fair value per share 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.

(20)Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. And ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(21)Income tax

A.The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B.The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C.Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the unconsolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D.Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

(22)Revenue recognition

A.The Company manufactures and sells computer peripheral and component parts products. Revenue is measured at the fair value of the consideration received or receivable taking into account of value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Company's activities.

B.The Company offers customers volume discounts and right of return for defective products. The Company estimates such discounts and returns based on historical experience. Allowance accounts for such liabilities are recorded when the sales are recognised.

5.CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these unconsolidated financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustrment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1)Critical judgements in applying the Company's accounting policies

Financial assets-impairment of equity investments

The Company follows the guidance of IAS 39 to determine whether a financial asset-equity investment is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

(2)Critical accounting estimates and assumptions

The accounting assumptions are made based on estimates of future events. Assumptions may differ from the actual results. The information on assumptions and estimates that may have risks of major adjustments to carrying amount of assets and liabilities of the next fiscal year is as follows:

A. Revenue recognition

In principle, sales revenues are recognised when the earning process is completed. The Company estimates discounts and returns based on historical results and other known factors. Provisions for such liabilities are recorded as a deduction item to sales revenues when the sales are recognised. The Company reassesses the reasonableness of estimates of discounts and returns periodically.

B.Impairment assessment of tangible and intangible assets (excluding goodwill)

The Company assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilised and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Company strategy might cause material impairment on assets in the future.

C.Realisability of deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Assessment of the realisability of deferred income tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, tax exempt duration, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred income tax assets.

As of 31st December 2014, the Company recognised deferred income tax assets amounting to $251,668.

D.Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of 31st December 2014, the carrying amount of inventories was $8,500,026.

E.Calculation of accrued pension obligations

When calculating the present value of defined pension obligations, the Company must apply judgements and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and expected rate of return on plan assets. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations.

As of 31st December 2014, the carrying amount of accrued pension obligations was $383,121.

6.DETAILS OF SIGNIFICANTACCOUNTS

(1)Cash and cash equivalents

	31st December 2014	31st December 2013
Cash on hand	$ 2,579	$ 2,438
Checking accounts and demand deposits	2,578,272	1,153,778
Time deposits	2,862,709	3,448,170
	$ 5,443,560	$ 4,604,386

A.The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Company's maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B.Details of the Company's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

	31st December 2014	31st December 2013
Current items		
Financial assets held for trading		
Open-end funds-Domestic	$ 250,000	$ 360,000
Open-end funds-Overseas	18,465	315,361
Corporate bonds	97,202	73,567
	365,667	748,928
Valuation adjustment	7,401	3,151
	$ 373,068	$ 752,079

A. The Company recognised net gain of $30,960 and $1,865 on financial assets held for trading for the years ended 31st December 2014 and 2013, respectively.

B. The counterparties of the Company's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of financial assets - debt instruments at fair value through profit or loss.

C. The Company has no financial assets at fair value through profit or loss pledged to others.

(3)Accounts receivable - net

	31st December 2014	31st December 2013
Accounts receivable – third parties	$ 3,514,992	$ 1,940,796
Less: Allowance for doubtful accounts	(50,277)	(24,849)
Accounts receivable - net	$ 3,464,645	$ 1,915,947

A. The Group's credit quality for accounts receivable is assessed in accordance with the customer's credit rating and the collection period for the calculation basis of impairment loss. The Group has an internal credit valuation policy for its customers and the Group's finance department routinely or randomly revaluates whether the credit ratings are still appropriate and makes adjustments when necessary in order to ascertain the latest condition of the customers. The credit rating for customers is based on the scale of the industry operations, profit-generating conditions, and the credit rating given by financial institutions as references for assessment.

B. The ageing analysis was based on past due date. The Company did not hold any financial assets that were past due but not impaired.

C. Movement analysis of the allowance for bad debts of financial assets that were impaired is as follows:

	2014		
	Individual provision	Group provision	Total
At 1st January	$ 1,429	$ 23,420	$ 24,849
Provision for impairment	4,941	20,487	25,428
At 31st December	$ 6,370	$ 43,907	$ 50,277

	2013		
	Individual provision	Group provision	Total
At 1st January	$ 2,536	$ 22,587	$ 25,123
Reversal of impairment	(1,107)	833	(274)
At 31st December	$ 1,429	$ 23,420	$ 24,849

D. The maximum exposure to credit risk at 31st December 2014 and 2013 was the carrying amount of each class of accounts receivable.

(4)Inventories

	31st December 2014		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 2,225,508	($ 76,170)	$ 2,149,338
Work in process	1,200,603	(620)	1,199,983
Finished goods and merchandise inventories	5,247,969	(97,264)	5,150,705
	$ 8,674,080	($ 174,054)	$ 8,500,026

	31st December 2013		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 1,700,025	($ 73,089)	$ 1,626,936
Work in process	1,314,048	(1,220)	1,312,828
Finished goods and merchandise inventories	5,131,087	(29,328)	5,101,759
	$ 8,145,160	($ 103,637)	$ 8,041,523

Expense and loss incurred on inventories for the years ended 31st December 2014 and 2013 were as follows:

	For the years ended 31st December	
	2014	2013
Cost of inventories sold	$ 42,431,584	$ 39,272,259
Cost of warranty	301,172	257,564
Gain from price recovery of inventory (loss on market decline)	70,417	(25,451)
Loss on physical inventory	3	5
	$ 42,803,176	$ 39,504,377

For the year ended 31st December 2013, the Company recognized a gain from price recovery of inventories due to the sale of part of its inventories which were declining in market value.

(5)Held-to-maturity financial assets

	31st December 2014	31st December 2013
Non-current items		
Bank debentures	$ 153,480	$ 148,410

A. The counterparties of the Company's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of held-to-maturity financial assets.

B. As of 31st December 2014 and 2013, no held-to-maturity financial assets held by the Company were pledged to others.

(6)Investments in bonds without active markets

	31st December 2014	31st December 2013
Non-current items		
Corporate bonds	$ -	$ 19,662

A. The counterparties of the Company's debt instrument investments have credit quality ratings above "investment grade". The maximum exposure to credit risk at balance sheet date is the carrying amount of bond investments without active market.

B. As of 31st December 2013, no investments in bonds without active markets held by the Company were pledged to others.

(7)Investments accounted for using the equity method

	31st December 2014	31st December 2013
Freedom International Group Ltd.	$ 6,011,831	$ 5,476,989
Chi-Ga Investments Corp.	1,822,994	1,826,113
G-Style Co., Ltd.	424,402	479,338
Giga-Byte Communication Inc.	108,383	202,591
Giga-Byte Technology B.V.	87,672	19,396
G.B.T. Technology Trading GmbH	51,178	48,692
Giga-Zone International Co., Ltd.	20,430	41,476
G.B.T. Inc.	16,846	(69,198)
G.B.T. Technology LLC others	78,115	77,306
	8,621,851	8,102,703
Add: Reclassified to accounts receivable -related parties contra account	-	69,198
	$ 8,621,851	$ 8,171,901

A. Please refer to Note 4(3) in the consolidated financial statements for the year ended 31st December 2014 for more information on the Company's subsidiary.

B. The investment gain of $182,486 and $133,484 were accounted for under the equity method based on the audited financial statements of the investee companies for the years ended 31st December 2014 and 2013, respectively, except as stated in the following paragraph.

C. The Company continued to account for the operating losses of its subsidiary, G.B.T. Inc., under investment losses. As of 31st December 2013, the credit balance of the carrying amount of investments recognised under the equity method was reclassified to a contra account of "accounts receivable-related parties, net".

(8)Property, plant and equipment

	Land	Buildings	Machinery	Others	Total
At 1st January 2014					
Cost	$ 937,542	$ 1,534,343	$ 1,031,175	$ 635,673	$ 4,138,733
Accumulated depreciation	-	(484,694)	(957,213)	(548,170)	(1,990,077)
	$ 937,542	$ 1,049,649	$ 73,962	$ 87,503	$ 2,148,656
2014					
Opening net book amount	$ 937,542	$ 1,049,649	$ 73,962	$ 87,503	$ 2,148,656
Additions	-	10,119	137,086	40,171	187,376
Disposals	-	-	(429)	(51)	(480)
Reclassifications	(1,865)	(758)	-	(220)	(2,843)
Depreciation charge	-	(30,877)	(30,041)	(34,772)	(95,690)
Closing net book amount	$ 935,677	$ 1,028,133	$ 180,578	$ 92,631	$ 2,237,019
At 31st December 2014					
Cost	$ 935,677	$ 1,531,676	$ 1,153,202	$ 659,319	$ 4,279,874
Accumulated depreciation	-	(503,543)	(972,624)	(566,688)	(2,042,855)
	$ 935,677	$ 1,028,133	$ 180,578	$ 92,631	$ 2,237,019

	Land	Buildings	Machinery	Others	Total
At 1st January 2013					
Cost	$ 945,891	$ 1,544,072	$ 1,025,400	$ 606,336	$ 4,121,699
Accumulated depreciation	-	(468,702)	(944,522)	(532,485)	(1,945,709)
	$ 945,891	$ 1,075,370	$ 80,878	$ 73,851	$ 2,175,990
2013					
Opening net book amount	$ 945,891	$ 1,075,370	$ 80,878	$ 73,851	$ 2,175,990
Additions	-	9,854	15,209	52,481	77,544
Disposals	-	(1,767)	-	(280)	(2,047)
Reclassifications	(8,349)	(3,208)	268	(1,576)	(12,865)
Depreciation charge	-	(30,600)	(22,393)	(36,973)	(89,966)
Closing net book amount	$ 937,542	$ 1,049,649	$ 73,962	$ 87,503	$ 2,148,656
At 31st December 2013					
Cost	$ 937,542	$ 1,534,343	$ 1,031,175	$ 635,673	$ 4,138,733
Accumulated depreciation	-	(484,694)	(957,213)	(548,170)	(1,990,077)
	$ 937,542	$ 1,049,649	$ 73,962	$ 87,503	$ 2,148,656

The significant components of buildings include main plants and renovation projects, which are depreciated over 50 and 10 years, respectively.

(9)Investment property

	Land	Buildings	Total
At 1st January 2014			
Cost	$ 97,470	$ 54,519	$ 151,989
Accumulated depreciation	-	(2,584)	(2,584)
	$ 97,470	$ 51,935	$ 149,405
2014			
Opening net book amount	$ 97,470	$ 51,935	$ 149,405
Reclassifications	1,865	978	2,843
Depreciation charge	-	(1,074)	(1,074)
Closing net book amount	$ 99,335	$ 51,839	$ 151,174

	Land	Buildings	Total
At 31st December 2014			
Cost	$ 99,335	$ 55,561	$ 154,896
Accumulated depreciation	-	(3,722)	(3,722)
	$ 99,335	$ 51,839	$ 151,174

	Land	Buildings	Total
At 1st January 2013			
Cost	$ 89,121	$ 49,849	$ 138,970
Accumulated depreciation	-	(1,384)	(1,384)
	$ 89,121	$ 48,465	$ 137,586
2013			
Opening net book amount	$ 89,121	$ 48,465	$ 137,586
Reclassifications	8,349	4,516	12,865
Depreciation charge	-	(1,046)	(1,046)
Closing net book amount	$ 97,470	$ 51,935	$ 149,405
At 31st December 2013			
Cost	$ 97,470	$ 54,519	$ 151,989
Accumulated depreciation	-	(2,584)	(2,584)
	$ 97,470	$ 51,935	$ 149,405

A.Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	For the years ended 31st December	
	2014	2013
Rental income from the lease of the investment property	$ 7,994	$ 7,655
Direct operating expenses arising from the investment property that generated rental income in the period	$ 1,074	$ 1,046

B.The fair value of the investment property held by the Company as at 31st December 2014 and 2013 was $185,552 and $183,929, respectively, which was valuated with reference to the future rental income and the related discounted cash flows. Key assumptions are as follows:

	31st December 2014	31st December 2013
Discount rate	2.125%	2.125%

(10)Other non-current assets

	31st December 2014	31st December 2013
Other financial assets	$ 990,000	$ 1,870,000
Pledged assets	40,542	40,000
Others	146,795	109,611
	$ 1,177,337	$ 2,019,611

A. Other financial assets are the Company's financial investments and details are provided in Note 13(1)C.

B. Information about the restricted assets that were pledged to others as collateral is provided in Note 8.

(11)Other payables

	31st December 2014	31st December 2013
Salary and bonus payable	$ 1,881,329	$ 1,645,327
Employees' dividends and directors' and supervisors' remuneration payable	244,362	229,667
Royalties payable	199,809	92,080
Shipping and freight-in payable	97,661	65,878
Others	438,555	392,060
	$ 2,861,716	$ 2,425,012

(12)Provisions

A.Movement analysis of the provision for warranty is as follows:

	2014	2013
At 1st January	$ 445,408	$ 442,611
Additional provisions	301,172	257,564
Used during the period	(301,086)	(254,767)
At 31st December	$ 445,494	$ 445,408

B.The Company gives warranties on the peripherals and accessories of computer hardware sold. Provision for warranty is estimated based on the historical repair records of the product.

(13)Pensions

A.(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

(b)The amounts recognised in the balance sheet are determined as follows:

	31st December 2014	31st December 2013
Present value of funded defined benefit obligations	($ 626,700)	($ 626,517)
Fair value of plan assets	243,579	244,676
Net liability in the balance sheet	($ 383,121)	($ 381,841)

(c)Movements in present value of defined benefit obligations are as follows:

	2014	2013
Present value of defined benefit obligations		
At 1st January	($ 626,517)	($ 634,668)
Current service cost	(7,768)	(7,901)
Interest cost	(12,478)	(9,502)
Actuarial profit and loss	8,542	15,608
Benefits paid	10,362	9,946
Effects on curtailment or settlement	1,159	-
At 31st December	($ 626,700)	($ 626,517)

(d) Movements in fair value of plan assets are as follows:

	2014	2013
Fair value of plan assets		
At 1st January	$ 244,676	$ 241,827
Expected return on plan assets	4,359	4,334
Actuarial profit and loss	1,347	(1,280)
Employer contributions	3,559	9,741
Benefits paid	(10,362)	(9,946)
At 31st December	$ 243,579	$ 244,676

(e)Amounts of expenses recognised in comprehensive income statements are as follows:

	For the years ended 31st December	
	2014	2013
Current service cost	$ 7,768	$ 7,901
Interest cost	12,478	9,502
Expected return on plan assets	(4,359)	(4,334)
Gain on reduction or settlement	(1,159)	-
Current pension costs	$ 14,728	$ 13,069

Details of cost and expenses recognised in comprehensive income statements are as follows:

	For the years ended 31st December	
	2014	2013
Operating costs	$ 5,984	$ 6,914
Selling expenses	3,089	2,395
General and administrative expenses	1,662	1,127
Research and development expenses	3,993	2,633
	$ 14,728	$ 13,069

(f)Amounts recognised under other comprehensive income are as follows:

	For the years ended 31st December	
	2014	2013
Recognition for current period	($ 9,889)	($ 14,328)
Accumulated amount	$ 67,486	$ 77,375

(g)The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of 31st December 2014 and 2013 is given in the Annual Labor Retirement Fund Utilisation Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

The actual return on the Company's plan assets was $5,706 and $3,054 for the years ended December 31, 2014 and 2013, respectively.

(h)The principal actuarial assumptions used were as follows:

	For the years ended 31st December	
	2014	2013
Discount rate	2.00%	2.00%
Future salary increases	3.00%	3.00%
Expected return on plan assets	1.75%	1.75%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

(i) Historical information of experience adjustments was as follows:

	For the years ended 31st December	
	2014	2013
Present value of defined benefit obligations	($ 626,700)	($ 626,517)
Fair value of plan assets	243,579	244,676
Deficit in the plan	($ 383,121)	($ 381,841)
Experience adjustments on plan liabilities	$ 8,445	($ 4,020)
Experience adjustments on plan assets	$ 1,348	($ 1,280)

(j) Expected contributions to the defined benefit pension plans of the Company within one year from 31st December 2014 amounts to $13,769.

B. Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Company for the years ended 31st December 2014 and 2013 were $79,429 and $77,309, respectively.

(14)Income tax

A.Income tax expense

Components of income tax expense:

	For the years ended 31st December	
	2014	2013
Current tax:		
Current tax on profits for the period	$ 379,246	$ 246,457
Tax on undistributed earnings	25,140	14,486
Adjustments in respect of prior years	19,696	12,507
Total current tax	424,082	273,450
Deferred tax:		
Origination and reversal of temporary differences	265	3,170
Income tax expense	$ 424,347	$ 276,620

B.Reconciliation between income tax expense and accounting profit

	For the years ended 31st December	
	2014	2013
Tax calculated based on profit before tax and statutory tax rate	$ 479,646	$ 447,467
Expenses disallowed by tax regulation	23,581	26,703
Tax exempted income by tax regulation	(16,756)	(117,811)
Effect from tax credit of investment	(48,579)	(37,466)
Tax on undistributed earnings	25,140	14,486
Prior year income tax underestimation	19,696	12,507
Changes in assessment of realisability of deferred tax assets	(58,381)	(69,266)
Income tax expense	$ 424,347	$ 276,620

C.Amounts of deferred tax assets or liabilities as a result of temporary difference and investment tax credit are as follows:

	For the year ended 31st December 2014			
	1st January	Recognised in profit or loss	Recognised in other comprehensive income	31st December
Temporary differences:				
-Deferred tax assets:				
Provision for warranty expense	$ 75,720	$ 14	$ -	$ 75,734
Allowance for inventory loss	17,618	11,971	-	29,589
Pension expense	32,913	1,900	-	34,813
Unrealized profit on intercompany sales	77,274	(13,543)	-	63,731
Others	41,936	5,865	-	47,801
Subtotal	245,461	6,207	-	251,668
-Deferred tax liabilities:				
Unrealized exchange gain	(13,301)	(6,472)	-	(19,773)
Actuarial gain (loss) on defined benefit plan	(2,436)	-	(1,680)	(4,116)
Subtotal	(15,737)	(6,472)	(1,680)	(23,889)
Total	$ 229,724	($ 265)	($ 1,680)	$ 227,779

	For the year ended 31st December 2013			
	1st January	Recognised in profit or loss	Recognised in other comprehensive income	31st December
Temporary differences:				
-Deferred tax assets:				
Provision for warranty expense	$ 75,245	$475	$ -	$ 75,720
Allowance for inventory loss	21,945	(4,327)	-	17,618
Pension expense	32,347	566	-	32,913
Unrealized profit on intercompany sales	36,426	40,848	-	77,274
Others	34,612	7,324	-	41,936
Investment tax credits	41,058	(41,058)	-	-
Subtotal	241,633	3,828	-	245,461
-Deferred tax liabilities:				
Unrealized exchange gain	(6,303)	(6,998)	-	(13,301)
Actuarial gain (loss) on defined benefit plan	-	-	(2,436)	(2,436)
Subtotal	(6,303)	(6,998)	(2,436)	(15,737)
Total	$ 235,330	($ 3,170)	($ 2,436)	$ 229,724

D.The Company's motherboard products qualify for manufacturing enterprises and related technical service enterprises, and the Company is entitled to the income tax exemption for 5 consecutive years (until June 2014) under the Statute for Upgrading Industry.

E.As of 31st December 2014, the Company's income tax returns through 2012 have been assessed and approved by the Tax Authority.

F.Unappropriated retained earnings

	31st December 2014	31st December 2013
Earnings generated in and before 1997	$ 62,797	$ 62,797
Earnings generated in and after 1998	7,568,380	7,279,092
	$ 7,631,177	$ 7,341,889

G.Details related to the shareholders' imputation tax credit amount and creditable tax ratio are as follows:

	31st December 2014	31st December 2013
Imputation tax credit account balance	$ 928,803	$ 745,127

	For the years ended 31st December	
	2014 (Estimated)	2013 (Actual)
Creditable tax ratio of the total distributed retained earnings	12.27%	14.43%

(15)Share capital

A.As of 31st December 2014, the Company's authorized capital was $9,500,000, consisting of 950,000 thousand shares of ordinary shares (including 250,000 thousand shares reserved for employee stock options and for convertible bonds issued by the Company), and the paid-in capital was $6,288,829 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected:

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2014	2013
At 1st January	626,571,386	625,891,386
Employee stock options exercised	2,311,500	680,000
At 31st December	628,882,886	626,571,386

B. The Company issued 7.5 million units (entitled to 30 million ordinary shares of the Company) of Global Deposit Receipts (GDRs) as of 17th July 2000, the issue price was US $16.76 per unit; as of 31st December 2012, the Company had only 7,509 units outstanding, in order to lower the related managing expenses, the Company terminated the abovementioned GDRs in January 2013, and the depositing and custodian institution completed the transactions for cancellation and allotment of the purchase price in August of the same year.

C. The number of shares of common stock issued for the year ended 31st December 2014 due to the exercise of employee stock options is 2,311,500 shares.

(16)Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(17)Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 80%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors and resolved by the stockholders as follows:

(1) 6% to 10% as bonuses to employees;

(2) Not more than 3% as remuneration to directors and supervisors; and

(3) Not less than 87% as dividends to stockholders, of which, not less than 5% shall be distributed in the form of cash. If the cash dividend is less than ten cents (NT$0.1) per share, such dividend shall be distributed in the form of shares.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated 6th April 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The estimated amount of employees' bonus of 2014 and 2013 was $187,971 and $176,667, respectively; and the estimated amounts of directors' and supervisors' remuneration of 2014 and 2013 was $56,391 and $53,000, respectively, as prescribed by the Company's Articles of Incorporation, of the Company's 2014 and 2013 net income after taking into account the legal reserve and other factors.

The amounts of employees' cash bonus and directors' and supervisors' remuneration of 2013 as resolved by stockholders were different from the amounts recognised in the 2013 financial statements (employees' cash bonus of $176,667 and directors' and supervisors' remuneration of $53,000). The difference of $51,323 has been adjusted in the profit or loss for 2014. The appropriation of retained earnings for 2014 has not been resolved by the Board of Directors. Information on the appropriation of the Company's employees' bonus and directors' and supervisors' remuneration as resolved by the Board of Directors and approved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

E. The appropriation of 2013 earnings had been proposed by the Board of Directors on 11th June 2014 and the appropriation of 2012 earnings had been resolved at the stockholders' meeting on 14th June 2013. Details are summarized below:

	For the years ended 31st December			
	2013		2012	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 235,554		$ 155,257	
Cash dividends	1,880,469	$ 3.00	1,252,453	$ 2.00
Directors' and supervisors' remuneration	64,844		43,188	
Employees' cash bonus	216,146		143,960	

(18)Share-based payment

A. As of 31st December 2014, the Company's share-based payment transactions are set forth below:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conitions
Employee stock options	2007.12.19	40,000,000 shares	10 years	2~4 years' service vested immediately

B. Details of the employee stock options are set forth below:

	2014		2013	
Employee stock options	No. of shares (in thousands)	Weighted-average exercise price (in dollars)	No. of shares (in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at 1st January	12,531	$ 12.70	13,211	$ 13.68
Options exercised	(2,312)	11.99	(680)	13.22
Options outstanding at 31st December	10,219	11.90	12,531	12.70
Options exercisable at 31st December	10,219		12,531	

C. The weighted-average stock price of stock options at exercise date of 2014 and 2013 was \$33.24~\$49.54 and \$25.99~\$37.48 (in dollars), respectively.

D. As of 31st December 2014 and 2013, the range of exercise price of stock options outstanding was \$11.90 and \$12.70, respectively, and the weighted-average remaining vesting period was 2.97 years, 3.97 years, respectively.

E. For the stock options granted by the Company with the compensation cost accounted for using the fair value method, their fair value on the grant date is estimated using the Black-Scholes option-pricing model. The weighted-average parameters used in the estimation of the fair value are as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Price volatility	Option life	Dividends	Interest rate	Fair value per unit
Employee stock options	2007.12.19	$ 19	$ 19	39.16%	6.35 years	-	2.58%	$ 8.1648

(19)Earnings per share

	For the year ended 31st December 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 2,397,101	627,290	$ 3.82
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
—Employees' bonus	-	5,529	
—Convertible bonds	-	8,412	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 2,397,101	641,231	$ 3.74

	For the year ended 31st December 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 2,355,536	626,259	$ 3.76
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
—Employees' bonus	-	4,401	
—Convertible bonds	-	7,205	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 2,355,536	637,865	$ 3.69

As employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would be increased from employees' stock bonus issuance in the weighted-average number of common shares outstanding during the reporting year, which take 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 year 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 year.

(20)Other income

	For the years ended 31st December	
	2014	2013
Interest income	$ 64,491	$ 59,371
Other income	323,763	195,643
	$ 388,254	$ 255,014

(21)Other gains and losses

	For the years ended 31st December	
	2014	2013
Net currency exchange gains	$ 328,191	$ 302,719
Gains on disposal of investments	26,254	692
Net gains on financial liabilities at fair value through profit or loss	4,250	2,055
Gains (losses) on disposal of property, plant and equipment	293	(1,177)
Others	(1,423)	(1,045)
Total	$ 357,565	$ 303,244

(22)Expenses by nature

	For the year ended 31st December 2014			For the year ended 31st December 2013		
Item	Operating cost	Operating expense	Total	Operating cost	Operating expense	Total
Employee benefit expense	$ 714,553	$ 2,791,356	$ 3,505,909	$ 673,655	$ 2,664,065	$ 3,337,720
Depreciation	45,117	50,573	95,690	37,087	52,879	89,966
Amortization	8,690	147,175	155,865	5,244	163,818	169,062

(23)Employee benefit expense

	For the years ended 31st December	
	2014	2013
Wages and salaries	$ 3,153,556	$ 3,000,768
Labor and health insurance fees	180,527	165,926
Pension costs	94,157	90,378
Other personnel expenses	77,669	80,648
	$ 3,505,909	$ 3,337,720

Note: The Company had 2,827 and 2,757 employees as of December 31, 2014 and 2013, respectively.

7.RELATED PARTY TRANSACTIONS

(1)Significant related party transactions and balances

A.Sales of goods

	For the years ended 31st December	
	2014	2013
Sales of goods:		
－Subsidiaries	$ 25,174,978	$ 31,264,439

The sales prices to related parties were based on the agreed contracts. Credit terms to related parties were within 14~90 days after receipt of goods. Credit terms to third parties were up to 70 days after shipment of goods.

B.Purchases of goods

	For the years ended 31st December	
	2014	2013
Purchases of goods：		
－Subsidiaries	$ 502,600	$ 415,679

All purchases from related parties are based on negotiated terms because the related products are unique and cannot be purchased from third parties. The payment terms for related parties are not significantly different from those with third parties. The payment terms for third parties is 30 days after receipt of goods or 60~90 days after monthly billing.

C.Processing expense

	For the years ended 31st December	
	2014	2013
Purchases of services:		
－Subsidiaries	$ 1,344,228	$ 1,277,876

The payments to G.B.T.-LBN were for the subcontracts to Dongguan Gigabyte and Ningbo Gita-Byte which were arranged through G.B.T.-LBN.

D.Warranty expense

	For the years ended 31st December	
	2014	2013
Purchases of services:		
－Subsidiaries	$ 71,916	$ 58,430

E.Service commission (accounted for as "sales expense")

	For the years ended 31st December	
	2014	2013
Purchases of services:		
－Subsidiaries	$ 240,159	$ 173,235

F.Professional service fees (accounted for as "sales expense")

	For the years ended 31st December	
	2014	2013
Purchases of services:		
－Subsidiaries	$ 126,239	$ -

G.Accounts receivable

	31st December 2014	31st December 2013
Receivables from related parties:		
－Subsidiaries	$ 1,650,389	$ 3,014,682
Less: Credit balance of long-term equity investments accounted for under the equity method	-	(69,198)
	$ 1,650,389	$ 2,945,484

H.Accounts payable

	31st December 2014	31st December 2013
Payables to related parties:		
－Subsidiaries	$ 395,214	$ 383,162

I. Prepayments

	31st December 2014	31st December 2013
Prepayment-related parties:		
－Subsidiaries	$ 359,400	$ -

J.Unearned receipts

	31st December 2014	31st December 2013
Advance receipts-related parties:		
－Subsidiaries	$ 189,334	$ 9,525

K.Endorsements and guarantees provided to related parties

	31st December 2014	31st December 2013
Subsidiaries	$ 174,449	$ 500,000

(2)Key management compensation

	For the years ended 31st December	
	2014	2013
Salaries and other short-term employee benefits	$ 300,401	$ 342,821

8.PLEDGED ASSETS

The Company's assets pledged as collateral are as follows:

	Book value		
Pledged asset	31st December 2014	31st December 2013	Purpose
Pledged asset (accounted for as "Other non-current assets")			
Pledged deposits	$ 40,542	$ 40,000	Guarantee for the customs duties and deposits

9.SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

None.

10.SIGNIFICANT DISASTER LOSS

None.

11.SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12.OTHERS

(1)Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock.

(2)Financial instruments

A.Fair value information of financial instruments

Except for those listed in the table below, the carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable, other receivables, refundable deposits, notes payable, accounts payable, other payables and deposits received) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

	31st December 2014	
	Book value	Fair value
Financial assets:		
Held-to-maturity financial assets	$ 153,480	$ 153,480
Other financial assets	990,000	990,088
Total	$ 1,143,480	$ 1,143,568

	31st December 2013	
	Book value	Fair value
Financial assets:		
Held-to-maturity financial assets	$ 148,410	$ 148,113
Investments in bonds without active markets	19,662	18,543
Other financial assets	1,870,000	1,864,949
Total	$ 2,038,072	$ 2,031,605

B.Financial risk management policies

(a)The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

(b)Risk management is carried out by a treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C.Significant financial risks and degrees of financial risks

(a)Market risk

<u>Foreign exchange risk</u>

i.The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii.The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	31st December 2014					
				Sensitivity analysis		
	Foreign Currency Amount (In Thousands)	Exchange Rate	Book Value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	$ 291,914	31.718	$ 9,258,928	1%	$ 92,589	$ -
RMB:NTD	121,518	5.116	621,686	1%	6,217	
Non-monetary items						
USD:NTD	$ 3,772	31.718	$ 119,640	1%	$ 1,196	$ -
USD:NTD	193,053	28.220	5,447,956	1%	-	54,480
EUR:NTD	1,406	38.569	54,228	1%	-	542
INR:NTD	92,876	0.500	46,438	1%	-	464
Financial liabilities						
Monetary items						
USD:NTD	$ 163,427	31.718	$ 5,183,578	1%	$ 51,836	$ -

	31st December 2013					
				Sensitivity analysis		
(Foreign currency: functional currency)	Foreign Currency Amount (In Thousands)	Exchange Rate	Book Value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets						
Monetary items						
USD:NTD	$ 308,281	29.950	$ 9,233,016	1%	$ 92,330	$ -
RMB:NTD	25,451	4.947	125,906	1%	1,259	
Non-monetary items						
USD:NTD	$ 9,628	29.950	$ 288,359	1%	$ 2,884	$ -
EUR:NTD	2,419	41.271	99,835	1%	998	-
USD:NTD	181,587	29.950	5,438,531	1%	-	54,385
INR:NTD	94,427	0.484	45,703	1%	-	457
Financial liabilities						
Monetary items						
USD:NTD	$ 183,089	29.950	$ 5,483,516	1%	$ 54,835	$ -

Price risk

A.The Company is exposed to equity securities price risk because of investments held by the Company and classified on the unconsolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

B.The Company's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1 % with all other variables held constant, post-tax profit for the years ended 31st December 2014 and 2013 would have increased/decreased by $2,731 and $6,813, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Interest rate risk

i.The domestic bond fund investment by the Company was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.

ii.The structured notes and investment floating bonds of the Company were range accrual notes, the effective interest rate of these notes are affected by the market interest rate; accordingly, the Company's future cash flows would fluctuate with the market interest rate change.

iii.For fixed interest rate bond investments held by the Company classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At 31st December 2014 and 2013, if market interest rates had been 1% higher/lower with all other variables held constant, other comprehensive income for the years ended 31st December 2014 and 2013 would have been $1,000 and $707 lower/higher, respectively.

(b)Credit risk

i.Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

ii.The bond fund held by the Company was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Company trades with several securities investment trust companies, credit risk is low.

iii.The Company has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Company is the total amount of all book value.

iv.The structured notes investment of the Company were issued by well-known banks or asset management companies, and accordingly, the credit risk of the counterparties is minimal.

v.The Company has lower significant concentrations of credit risk. It has policies in place to ensure that wholesale sales of products are made to customers with an appropriate credit history. The Company had credit insurance coverage for a majority of its customers. Accordingly, credit risk is low. No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

vi.Loan guarantees provided by the Company are in compliance with the Company's "Procedures for Provision of Endorsements and Guarantees" and are only provided to affiliated companies of which the Company owns directly or indirectly more than 50% ownership or a company which trades with the Company. As the Company is fully aware of the credit conditions of these related parties, it has not asked for collateral for the loan guarantees provided. In the event that these related parties fail to comply with loan agreements with banks, the maximum loss to the Company is the total amount of loan guarantees as listed above.

vii.The credit quality information of financial assets that are neither past due nor impaired is provided in the statement for each type of financial assets in Note 6.

viii.The individual analysis of financial assets that had been impaired is provided in the statement for each type of financial assets in Note 6.

(c)Liquidity risk

i.Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii.Potential liquidity risk of structured time deposits held by the Company lies in that those assets have no sale-back option before expiry of the contract; however, the Company may terminate the contract early before expiry, yet it shall compensate its counterparty with default penalty and handling fees for early termination of the contract or compensate for counterparty's hedging loss and related expenses incurred.

iii.The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities: 31st December 2014	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
Notes payable	$ 47,265	$ -	$ -	$ 47,265
Accounts payable	5,644,767	-	-	5,644,767
Other payables	2,861,716	-	-	2,861,716

Non-derivative financial liabilities: 31st December 2013	Less than 1 year	Between 1 and 2 years	Over 2 years	Total
Notes payable	$ 29,150	$ -	$ -	$ 29,150
Accounts payable	5,548,209	-	-	5,548,209
Other payables	2,425,012	-	-	2,425,012

iv.The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3)Fair value estimation

A.The table below analyses financial instruments measured at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the Company's financial assets that are measured at fair value at 31st December 2014 and 2013:

	Level 1	Level 2	Level 3	Total
31st December 2014				
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 273,071	$ -	$ -	$ 273,071
Debt securities	99,997	-	-	99,997
Total	$ 373,068	$ -	$ -	$ 373,068

31st December 2013	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 681,342	$ -	$ -	$ 681,342
Debt securities	70,737	-	-	70,737
Total	$ 752,079	$ -	$ -	$ 752,079

B.The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the closing price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity instruments and debt instruments classified as financial assets/financial liabilities at fair value through profit or loss or available-for-sale financial assets.

C.The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

D.If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

E.Specific valuation techniques used to value financial instruments include:

(a)Quoted market prices or dealer quotes for similar instruments.

(b)The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

(c)Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

13.SUPPLEMENTARY DISCLOSURES

(1)Significant transactions information

A. Loans to others:

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31,2014	Balance at December 31, 2014	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for shortterm financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note)	Ceiling on total loans granted (Note)	Footnote
1	Ningbo Zhongjia Technology Co., Ltd.	Giga-Zone International Co., Ltd.	Entrusted Loans	Y	$ 24,395	$ -	$ -	-	Short term financing	$ -	Operating capital	$ -	-	$ -	$ 165,828	$ 248,742	

Note: The Company's overseas subsidiaries whose voting shares are 100% owned, directly or indirectly, offer funding to one another. The total amout for lending for any one borrower shall be no more than the amount the lender trades with the borrower. For short-term financing, the lending amount shall be no more than twenty percent (20%) of the borrower's net worth.

B. Provision of endorsements and guarantees to others:

Number	Endorser /guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser /guarantor	Limit on endorsements/ guarantees provided for a single party (Note)	Maximum outstanding endorsement/ guarantee amount as of 31st December 2014	Outstanding endorsement/ guarantee amount at 31st December 2014	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Note
0	Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Subsidiaries	$ 314,008	$ 174,449	$ 174,449	$ 39,173	$ -	0.77	$ 6,773,434	Y	N	N	
1	Ningbo Zhongjia Technology Co., Ltd.	Ningbo Giga-Byte Technology Co., Ltd.	Associates	165,828	4,093	4,093	4,093	-	0.49	248,742	N	N	Y	
2	Ningbo Zhongjia Technology Co., Ltd.	Strongjet Supply Chain Co., Limited	Having business relationship	165,828	48,602	48,602	-	-	5.86	248,742	N	N	Y	
3	Ningbo Zhongjia Technology Co., Ltd.	Shenzhen Prolto Supply Chain Management Co., Ltd.	Having business relationship	165,828	2,558	2,558	-	-	0.31	248,742	N	N	Y	

Note:The Company and the subsidiaries' new ceiling of total outstanding guarantees is 30% of the Company's net value. The ceiling for single party (except the Company's 100% owned subsidiary) is 20% of net value, and should not exceed 50% of the Company's capital. However, the ceiling of the Company's 100% owned subsidiary is 20% of the Company's net value, but shall not exceed 300% of subsidiary's capital.

C.Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures):

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of 31st December 2014 Number of shares	Book value	Ownership (%)	Fair value	Note
Giga-Byte Technology Co., Ltd.	Beneficiary certificates -	Taishin Lucky Money Market Fund	None	Financial assets at fair value through profit or loss-current	17,681,985	$ 190,000	-	$ 193,386	
		CTBC Hwa-Win Money Market Fund	〃	〃	3,697,115	40,000	-	40,020	
		Hua Nan Phoenix Money Market Fund	〃	〃	1,250,352	20,000	-	20,008	
	Beneficiary certificates -	Morgan Stanley Money Market Fund	〃	〃	-	3,648	-	3,484	
		Morgan Stanley Opprotunistic Mortgage Income Fund LP	〃	〃	-	14,818	-	16,172	
	Corporate bonds -	Sinopec Capital 2013 Ltd 3.125%	〃	〃	750,000	22,261	-	22,718	
		Austratia & New Zaland Banking 4.5%	〃	〃	1,000,000	30,972	-	32,546	
		Standard Chartered PLC 3.95%	〃	〃	560,000	16,822	-	17,121	
		Barclays PLC 4.375%	〃	〃	900,000	27,146	-	27,613	
						365,667		$ 373,068	
				Gain on valuation of financial assets		7,401			
						$ 373,068			
	Mustardgiga Corp.		None	Available-for-sale financial assets-non-current	4,500	$ 1,222	-	$ -	
				Accumulated impairment		(1,222)			
						$ -			
	Chinatrust Commercial Bank Senior-Unsecured Financial Bonds 2013 Phase I		〃	Held-to-maturity financial assets-non-current		$ 153,480	-	$ 153,480	
	TWD 3 year callable spread leverage investment contract		〃	Other financial assets - non-current		$ 290,000	-	$ 290,007	
	TWD 3 year callable range accrual investment contract		〃	〃		700,000	-	700,081	
						$ 990,000		$ 990,088	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of 31st December 2014 Number of shares	Book value	Ownership (%)	Fair value	Note
Chi-Ga Investments Corp.	Walsin Technology Corporation	None	Financial assets at fair value through profit or loss-current	9,389,770	$ 198,644	1.36%	$ 114,086	
	FSITC Taiwan Bond Fund	〃	〃	1,366,537	17,812	-	20,518	
	Yuanta Wan Tai Money Market	〃	〃	5,390,918	79,483	-	80,265	
	Nomura Taiwan Money Market			7,945,356	126,239	-	127,343	
	Manulife Asia Pacific Bond Fund-A	〃	〃	1,331,876	14,818	-	15,432	
	Yuanta De-Bao Money Market Fund	〃	〃	1,442,941	17,000	-	17,043	
					453,996		$ 374,687	
			Loss on valuation of financial assets		(79,309)			
					$ 374,687			
	Info-Tek Corp.	None	Available-for-sale financial assets-current	9,406,586	$ 106,165	8.10%	$ 87,763	
			Valuation adjustment		39,225			
			Accumulated impairment		(57,627)			
					$ 87,763			
	Hui Yang Venture Capital Co., Ltd.	〃	Available-for-sale financial assets - non-current	2,100,000	$ 21,000	7.69%	$ 51,273	
	Heimavista etc.	None	None	None	11,520	0.11%~10.20%	15,573	
					32,520		$ 66,846	
			Valuation adjustment		38,000			
			Accumulated impairment		(3,674)			
					$ 66,846			
Giga-Trend International Investment Group Ltd.	Eastspring Investments Well Pool Money Market Fund etc.	None	Financial assets at fair value through profit or loss-current	None	$ 170,805	-	$ 174,887	
			Gain on valuation of financial assets		4,082			
					$ 174,887			
	Innodisk Corproration etc.	〃	Available-for-sale financial assets - non-current	None	$ 181,770	-	$ 192,367	
			Valuation adjustment		10,597			
					$ 192,367			
	Eversol Corporation etc.	〃	Available-for-sale financial assets - non-current	None	$ 84,373	-	$ 66,615	
			Accumulated impairment		(17,758)			
					$ 66,615			

				As of 31st December 2014				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership(%)	Fair value	Note
Gigatrend Technology Co., Ltd.	FSITC Bond Fund	〃	Financial assets at fair value through profit or loss-current	494,294	$ 84,247	-	$ 86,608	
	FSITC Taiwan Money Market Fund	〃	〃	6,620,799	97,000	-	99,411	
			Gain on valuation of financial assets		4,772		$ 186,019	
					$ 186,019			
Freedom International Group Ltd.	STANDARD CHARTERED PLC 5.2%	〃	Financial assets at fair value through profit or loss-current	5,000	USD 523 thousand	-	USD 519 thousand	
	JPMORGAN CHASE & CO 4.125%	〃	〃	5,000	USD 503 thousand	-	USD 497 thousand	
					USD1,026 thousand		USD1,016 thousand	
			Gain on valuation of financial assets		(USD 10 thousand)			
					USD1,016 thousand			
Giga Future Limited	HSBC HOLDING PLC VRN PERPETUAL	〃	Financial assets at fair value through profit or loss-current	7,200	USD 740 thousand	-	USD 729 thousand	
	EMIRATES NBD JPSC VRN 5.75%	〃	〃	9,000	USD 906 thousand	-	USD 871 thousand	
			Loss on valuation of financial assets		(USD 46 thousand)		USD1,600 thousand	
					USD1,600 thousand			
G-Style Co., Ltd.	JM Material Technology Inc.	None	Available-for-sale financial assets - non-current	160,000	$ 20,000	10.00%	$ 20,000	
Ningbo Giga-Byte Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	-	RMB 85,000 thousand	-	RMB 85,000 thousand	

D.Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital:

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at 1st January 2014 Number of shares	Balance as at 1st January 2014 Amount	Addition Number of shares	Addition Amount	Disposal Number of shares	Disposal Selling price	Disposal Book value	Disposal Gain (loss) on disposal	Balance as at 31st December 2014 Number of shares	Balance as at 31st December 2014 Amount	Note
Giga-Byte Technology Co., Ltd.	TWD 3 year callable spread investment contract	Other financial assets - non-current	None	None	-	$ 1,170,000	-	$ -	-	$ 880,000	$ 880,000	$ -	-	$ 290,000	
Ningbo Zhongjia Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	Other financial assets-current	〃	〃	-	RMB553,000 thousand	-	RMB613,000 thousand	-	RMB1,166,000 thousand	RMB1,166,000 thousand	-	-	-	
	Industrial and Commercial Bank of China Gongying No.3 Capital Guarantee RMB wealth investment products	〃	〃	〃	-	-	-	RMB106,000 thousand	-	RMB106,000 thousand	RMB106,000 thousand	-	-	-	
Ningbo Gigabyte Technology Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	〃	-	RMB20,000 thousand	-	RMB358,280 thousand	-	RMB293,280 thousand	RMB293,280 thousand	-	-	RMB85,000 thousand	
Dongguan Gigabyte Electronics Co., Ltd.	China Construction Bank Qianyuan Capital Guarantee RMB wealth investment products	〃	〃	〃	-	-	-	RMB243,900 thousand	-	RMB243,900 thousand	RMB243,900 thousand	-	-	-	

Note:Trading amounts are expressed in total amount.

E.Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F.Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G.Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more:

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts Purchaser/seller Counterparty receivable (payable)	Note
Giga-Byte Technology Co., Ltd.	Giga Advance (Labuan) Limited	An indirect wholly-owned subsidiary	(Sales)	$ 13,195,257	26%	14 days after receipt of goods	The price was based on the contract price	Normal	($ 184,916)	-	Note 1
	Giga-Byte Tecnology B.V.	A wholly-owned subsidiary	〃	3,476,207	7%	30 days after receipt of goods	〃	〃	17,961	-	
	G.B.T. Inc.	〃	〃	5,857,448	12%	75 days after receipt of goods	〃	〃	1,247,537	24%	
	G.B.T. LBN Inc.	An indirect wholly-owned subsidiary	〃	1,417,204	3%	30 days after receipt of goods	〃	〃	5,200	-	
	G.B.T. LBN Inc.	〃	Processing cost	1,344,228	58%	45 days after billing	〃	〃	(383,863)	7%	
	Gigabyte Trading Inc.	〃	(Sales)	149,258	-	180 days after receipt of goods	〃	〃	5,516	-	
	G-Style Co., Ltd.	A wholly-owned subsidiary	〃	1,049,775	2%	90 days after billing	〃	〃	373,055	7%	
Giga-Byte Technology B.V.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	USD 96,154 thousand	100%	30 days after billing	The price was based on the contract price	Normal	(USD 3,124 thousand)	65%	
G.B.T. Inc.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	USD 201,450 thousand	100%	30 days after receipt of goods	The price was based on the contract price	Normal	(USD 57,420 thousand)	100%	
Giga Advance (Labuan) Limited	Giga-Byte Technology Co., Ltd.	An indirect wholly-owned subsidiary	Purchases	USD 431,299 thousand	100%	14 days after receipt of goods	The price was based on the contract price	Normal	(USD 18,428 thousand)	100%	
G-Style Co., Ltd.	Giga-Byte Technology Co., Ltd.	A wholly-owned subsidiary	Purchases	$ 1,039,524	57%	90 days after billing	The price was based on the contract price	Normal	($ 368,231)	86%	
Giga Advance (Labuan) Limited	Ningbo Zhongjia Technology Co., Ltd.	Associates	(Sales)	USD 430,770 thousand	100%	14 days after receipt of goods	The price was based on the contract price	Normal	USD 20,242 thousand	100%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction: Purchases (sales)	Transaction: Amount	Transaction: Percentage of total purchases (sales)	Transaction: Credit term	Differences in transaction terms compared to third party transactions: Unit price	Differences in transaction terms compared to third party transactions: Credit term	Notes/accounts receivable (payable): Balance	Notes/accounts receivable (payable): Percentage of total notes/accounts Purchaser/seller Counterparty receivable (payable)	Note
G.B.T. LBN Inc.	Ningbo Gigabyte Technology Co., Ltd.	Associates	Purchases	USD 18,596 thousand	18%	60 days after billing	The price was based on the contract price	Normal	(USD 639 thousand)	9%	
	〃	〃	〃	RMB 70,541 thousand	11%	〃	〃	〃	(RMB 25,400 thousand)	59%	
	Dongguan Gigabyte Electronics Co., Ltd.	〃	〃	USD 15,871 thousand	16%	〃	〃	〃	(USD 303 thousand)	4%	
	〃	〃	〃	RMB 69,822 thousand	11%	〃	〃	〃	(RMB 10,811 thousand)	25%	
	Ningbo Zhongjia Technology Co., Ltd.	〃	(Sales)	USD 43,089 thousand	43%	〃	〃	〃	-	-	
	GIGA-BYTE TECHNOLOGY CO., LTD.	A wholly-owned subsidiary	〃	USD 12,491 thousand	12%	〃	〃	〃	USD 4,786 thousand	42%	
Ningbo Zhongjia Technology Co., Ltd.	Giga Advance (Labuan) Limited	Associates	Purchases	RMB2,725,814 thousand	90%	14 days after receipt of goods	The price was based on the contract price	Normal	(RMB 108,511 thousand)	92%	
	G.B.T. LBN Inc.	〃	〃	RMB 266,625 thousand	9%	60 days after billing	〃	〃	-	-	
Ningbo Gigabyte Technology Co., Ltd.	G.B.T. LBN Inc.	Associates	(Sales)	RMB 70,541 thousand	38%	60 days after billing	The price was based on the contract price	Normal	RMB 25,400 thousand	87%	
	〃	〃	〃	USD 18,596 thousand	62%	〃	〃	〃	USD 639 thousand	13%	
Dongguan Gigabyte Electronics Co., Ltd.	G.B.T. LBN Inc.	Associates	(Sales)	RMB 69,822 thousand	42%	60 days after billing	The price was based on the contract price	Normal	RMB 10,811 thousand	85%	
	〃	〃	〃	USD 15,871 thousand	58%	〃	〃	〃	USD 303 thousand	15%	

Note 1:The ending account for Giga Advance (Labuan) Limited is advance receipts.

Note2:The balance is not adjusted in accordance with the rules prescribed in the Tai-Tsai-Tseng (Chi) Letter No. 01644 issued by the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more:

Creditor	Counterparty	Relationship with the counterparty	Balance as at 31st December 2014	Turnover rate	Overdue receivables Amount	Overdue receivables Amount Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	A wholly-owned subsidiary	$ 1,247,537	4.80	$ -	-	$ 951,714	$ -
	G-Style Co., Ltd.	A wholly-owned subsidiary	373,050	4.13	-	-	171,083	-
Giga Advance (Labuan) Limited	Ningbo Zhongjia Technology Co., Lt	Associates	USD 20,242 thousand	13.13	-	-	USD 20,231 thousand	-
Ningbo Giga-Byte Technology Co., Ltd.	G.B.T. LBN Inc.	〃	RMB 25,400 thousand	4.03	-	-	RMB 25,400 thousand	-
G.B.T. LBN Inc.	Giga-Byte Technology Co., Ltd.	Aindirect wholly-owned subsidiary	USD 4,786 thousand	5.57	-	-	USD 3,072 thousand	-

Note: The balance is not adjusted in accordance with the rules prescribed in the Tai-Tsai-Tseng (Chi) Letter No. 01644 issued by the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan.

I. Derivative financial instruments undertaken during the year ended 31st December 2014: Notes 6(2) and 12(2).

(2)Information on investees (not including investees in Mainland China)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at 31st December 2014	Initial investment amount: Balance as at 31st December 2013	Shares held as at 31st December 2014: Number of shares	Shares held as at 31st December 2014: Ownership (%)	Shares held as at 31st December 2014: Book value	Net profit (loss) of the investee for the year ended 31st December 2014	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Note
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	$ 4,617,682	$ 4,517,105	142,671,692	100.00	$ 6,011,831	$ 230,194	$ 230,194	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Chi-Ga Investments Corp.	Taiwan	Holding company	1,775,000	1,775,000	177,500,000	100.00	1,822,994	30,358	30,358	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	610,000	610,000	61,000,000	100.00	424,402	(54,936)	(54,936)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Communication Inc.	Taiwan	Manufacturing and selling of communications	345,782	345,782	34,578,228	99.12	108,383	(94,208)	(94,208)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Zone International Co., Ltd.	Taiwan	Selling of PC peripherals	54,965	54,965	9,142,702	100.00	20,430	(16,797)	(19,923)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Selling of motherboards	25,984	25,984	8,500	100.00	87,672	65,727	65,727	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd	UK	Selling of motherboards	47,488	47,488	800,000	100.00	9,353	3,069	2,683	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Selling of motherboards	3,495	3,495	1,000	100.00	2,769	435	435	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Advance (Labuan)Limited	Malaysia	Selling of motherboards	-	328	-	-	-	5,752	740	The Company's indirect subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Selling of motherboards	24,614	24,614	-	100.00	51,178	4,936	5,875	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Selling of motherboards	9,346	9,346	400,000	100.00	14,384	874	514	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Selling of motherboards	182,868	182,868	4,600,000	100.00	10,402	(771)	(771)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Global Business Corporation	U.S.A.	ODM Business	322	322	1,000	100.00	317	-	-	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Repairing of motherboards	241	241	5,000	100.00	3,056	831	831	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Selling of motherboards	90,660	16,701	54,116	48.63	16,846	28,105	13,667	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Repairing of motherboards	3,541	3,541	8,000	100.00	4,267	(65)	(264)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC	South Korea	Selling of motherboards	22,534	22,534	168,000	100.00	33,567	1,564	1,564	The Company's subsidiary
Giga-Byte Technology B.V.	Gigabyte Technology France	France	Selling of motherboards	6,200	6,200	200,000	100.00	12,342	573	-	The Company's indirect subsidiary
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Poland	Repairing of motherboards	500	500	100	100.00	1,420	146	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	1,844,922	1,744,344	57,032,142	100.00	2,962,333	154,084	-	The Company's indirect subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at 31st December 2014			Net profit (loss) of the investee for the year ended 31st December 2014	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Note
				Balance as at 31st December 2014	Balance as at 31st December 2013	Number of shares	Ownership (%)	Book value			
Freedom International Group Ltd.	G.B.T. LBN Inc.	Malaysia	Selling of motherboards	$ -	$ -	-	100.00	($ 161,281)	($ 51,281)	$ -	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Selling of motherboards	109,459	31,326	57,169	51.37	17,799	28,105	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Gigabyte Trading Inc.	U.S.A.	ODM Business	1,623	1,623	50,000	100.00	1,100	(961)	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	2,917,516	52,527	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Aorus Pte. Ltd.	Singapore	Selling of motherboards	60,757	60,757	3,073,000	100.00	27,106	(5,992)	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Cloud Ride Limited	British Virgin Islands	Selling of communications	-	99,336	-	100.00	-	60,163	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Advance (Labuan)Limited	Malaysia	Selling of motherboards	5,648	-	10,000	100.00	11,160	5,752	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Gigatrend Technology Co., Ltd.	Taiwan	Manufacturing and selling of electronic components and parts	175,000	175,000	17,500,000	100.00	195,703	(587)	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	623,390	600,000	62,339,000	100.00	668,851	20,929	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Giga-Trend International Management Group Ltd.	Taiwan	Venture capital management and consulting company	6,000	6,000	600,000	60.00	15,743	7,541	-	The Company's indirect subsidiary
Chi-Ga Investments Corp.	Senyun Precise Optical Co.,Ltd	Taiwan	Manufacture and sale of optical lens	207,000	207,000	207,700,000	49.87	217,249	15,447	-	Subsidiary's investee company accounted for under the equity
Chi-Ga Investments Corp.	Gigazone Holdings Limited	British Virgin Islands	Holding company	173,928	150,557	34,500	100.00	35,249	(58,320)	-	The Company's indirect subsidiary
Chi-Ga Investment Corp.	Qsan Technology, Inc.	Taiwan	Manufacturing of information storage and disposal equipment	48,600	-	2,700,000	24.25	48,770	2,796	-	Subsidiary's investee company accounted for under the equity method
Giga-Byte Communication Inc.	Giga Win Limited	Mauritius	Selling of communications	3,770	3,770	100,000	100.00	3,833	10	-	The Company's indirect subsidiary
Giga-Zone International Co., Ltd.	Gigazone Holdings Limited	British Virgin Islands	Holding company	-	53,204	-	-	-	-	-	The Company's indirect subsidiary
Gigatrend Technology Co., Ltd.	Green Share Co., Ltd.	Taiwan	Wholesale of information software	8,160	-	816,000	51.00	7,835	(325)	-	The Company's indirect subsidiary
Cloud Ride Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	-	3,000	100.00	12,754	1,251	-	The Company's indirect subsidiary
Giga-Trend International Investment Group Ltd.	Qsan Technology, Inc.	Taiwan	Manufacturing of information storage and disposal equipment	32,175	32,175	1,787,500	16.06	32,287	2,796	-	Subsidiary's investee company accounted for under the equity method
Ningbo BestYield Tech. Services Co.,Ltd.	Cloud Ride Limited	British Virgin Islands	Selling of communications	100,577	-	3,300,000	100.00	103,832	50,163	-	The Company's indirect subsidiary

(3)Information on investments in Mainland China

A. Basic information:

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of 1st January 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended 31st December 2014		Accumulated amount of remittance from Taiwan to Mainland China as of 31st December 2014	Net income of investee as of 31st December 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended 31st December 2014	Book value of investment in Mainland China as of 31st December 2014	Accumulated amount of investment income remitted back to Taiwan as of 31st December 2014	Note
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of motherboards	$ 1,180,937	(Note A)	$ 1,180,937	$ -	-	$ 1,180,937	$ 35,006	100	$ 35,006	$ 1,748,707	$ -	The Company's indirect subsidiary
Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of motherboards	2,780,313	(Note A)	2,780,313	-	-	2,780,313	44,816	100	44,816	2,830,819	-	The Company's indirect subsidiary
Ningbo Giga-Byte International Trade Co., Ltd.	Selling of motherboards	259,752	(Note A)	259,752	-	-	259,752	118,923	100	118,923	1,018,018	-	The Company's indirect subsidiary
Ningbo Best Yield Technology Services Co., Ltd.	Repairing of motherboards	165,515	(Note A)	165,515	100,577	-	165,515	3,233	100	3,233	171,293	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Selling of motherboards	109,838	(Note B)	-	-	-	-	127,764	100	127,764	829,244	-	The Company's indirect subsidiary
Gigazone International (Shenzhen)	Selling of PC peripherals	350,131	(Note C)	203,761	-	-	203,761	(75,892)	100	(75,892)	169,891	-	The Company's indirect subsidiary

Note A: Invested by Charleston Investments Limited and Giga Future Limited., which are subsidiaries of Freedom International Group Ltd.

Note B: Invested by Ningbo Giga-Byte International Trade CO., Ltd., which is a subsidiary of Charleston Investment Ltd.

Note C: Invested by Gigazone Holdings Limited 58.97%, which is a subsidiary of Chi-Ga Investment Corp.; and invested by Ningbo Zhongjia Technology Co., Ltd. 41.03%, which is a subsidiary of Ningbo Giga-Byte International Trade Co., Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of 31st December 2014	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note)
Giga-Byte Technology Co., Ltd.	$ 4,386,517	$ 4,386,517	$ 13,546,868
Chi-Ga Investments Corp.	203,761	203,761	1,083,542

B.Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas.

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements / guarantees or collaterals		Financing				Others
	Amount	%	Amount	%	Amount	%	Balance at 31st December 2014	Purpose	Maximum balance during the year ended 31st December 2014	Balance at 31st December 2014	Interest rate	Interest during the year ended 31st December 2014	
Ningbo Giga-Byte Technology Co., Ltd.	$ 4,690	-	$ -	-	$ 13,858	-	$ -	-	$ -	$ -	-	-	Processing cost paid at $668,890
Ningbo Giga-Byte International Trade Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	
Ningbo Zhongjia Technology Co., Ltd.	14,278,407	28	-	-	573,925	11	-	-	-	-	-	-	
Dongguan Gigabyte Electronics Co., Ltd.	11,172	-	-	-	25,149	-	-	-	-	-	-	-	Processing cost paid at $675,338

14.SEGMENT INFORMATION

None.

15.INITIAL APPLICATION OF IFRSs

None.

VI. State the financial position of the Company if any insolvency occurs in the Company or affiliates in the most recent year until the date this report is printed: None

Seven. Financial position and the review and analysis of financial performance and risks

I.Financial Position

Analysis on financial positions - IFRS

Unit: NTD 1,000

Subject \ Year	2014 (Consolidated)	2013 (Consolidated)	Change	
			Amount	%
Current assets	26,841,912	27,198,448	-356,536	-1.31
Fund & Investment	797,614	983,740	-186,126	-18.92
Fixed Assets	4,231,520	4,212,396	19,124	0.45
Other assets	1,821,580	2,602,818	-781,238	-30.02
Total assets	33,692,626	34,997,402	-1,304,776	-3.73
Current liabilities	10,653,629	12,680,871	-2,027,242	-15.99
Other liabilities	460,883	466,829	-5,946	-1.27
Total liabilities	11,114,512	13,147,700	-2,033,188	-15.46
Equity	6,288,829	6,265,714	23,115	0.37
Capital surplus	4,592,155	4,587,562	4,593	0.10
Retained earnings	11,243,132	10,718,290	524,842	4.90
Other shareholder's Equity	453,998	278,136	175,862	63.23
Total shareholder's Equity	22,578,114	21,849,702	728,412	3.33

Significant Changes and Analysis:

To make effective use of funds and increase overall yields, the Company reduced its holding of some financial assets. This led to a decrease in related assets and amount of liabilities from the preceding period. Translation gains from the financial statements of overseas operating units also led to an increase in other shareholders' equity over the last period.

II. Financial Performance

(I) Comparison of Operatimg Results - IFRS

Unit: NTD1,000

Year / SubjectSubject	2014 (Consolidated)	2013 (Consolidated)	Differences	
			Amount	%
Net Sales	54,541,687	51,118,994	3,422,693	6.70
Cost of operation	45,073,304	41,969,788	3,103,516	7.39
Gross profit	9,468,383	9,149,206	319,177	3.49
Operating expenses	7,662,847	7,345,037	317,810	4.33
Operating income	1,805,536	1,804,169	1,367	0.08
Non-operating income & expenses	1,138,810	928,188	210,622	22.69
EBT in continuing operations	2,944,346	2,732,357	211,989	7.76
Income tax	544,541	372,877	171,664	46.04
Net Income	2,399,805	2,359,480	40,325	1.71

Analysis of Changes:

1. Operating income and gross profit up from the last period. Overall operating income increased slightly over the last period.
2. Increase in non-operating income and expenses over the previous period: This was mainly due to an increase in other incomes from advertising sponsorships.

Revenue expected for the future year and its basis, plus the main factors that affect the continued growth or decline of the Company's expected revenue:

Our Company will continue to make China our key market for further development and cultivation in order to minimize the impact of unfavorable factors.

III.Cash Flow

Analysis of Cash Flow - IFRS

(I) Analysis of liquidity over the last two years

Unit: NTD1,000

Subject /year	December 31, 2014	December 31, 2013	Difference (%)
Cash flow ratio	26.72	14.22	+87.90%
Cash flow adequacy ratio	131.46	128.03	+2.68%
Cash reinvestment ratio	3.55	2.09	+69.86%

Explanation for changes:
This was mainly due to a decrease in the holdings of financial assets. This increased cash income from operating activities and a significant increase in cash flow ratio over the previous year.

(II) Analysis on liquidity for the next year

Unit: NTD1,000

Cash Balance At beginning period (1)	Estimated cash flow from Operations for the year (2)	Estimated cash outflow For the year (3)	Estimated cash balance (short) For the year (1)+(2)-(3)	Corrective actions on cash short	
				Investment plan	Financial plan
9,336,355	1,969,561	(1,848,341)	9,457,575	—	—

1. Analysis of projected cash flow Changes in 2015
   (1) Business activity: 2015 revenues are expected to grow slightly and generate cash income from business activities.
   (2) Investment and financing activities: No major equipment purchases or local and overseas investments are planned in 2015. The emphasis will continue to remain on the issuing of cash dividends.

2.Measures to make up deficient cash flow and liquidity analysis: N/A

IV.The Effect of major capital spending on financial position and operation

(I) Major capital spending and sources of capital:

Unit: NTD1,000

The plan	The actual or projected sources of capitalThe actual or projected sources of capital	Actual or projected date of completion	Total amount of capital needed	Actual or projected use of capital				
				2010	2011	2012	2013	2014
The plan		100.12	773,943		773,943			
		103.12	418,338					418,338

(II) Expected Result: N/A

V. The direct investment policy of the Company over the last five years, major cause for profit or loss and improvement plan, investment plan in next year

Analysis on Direct Investments

Unit: NTD 1,000

Description / Item	The amount of investment income (loss)(Note)	Policy	Major cause for profit or loss	Improvement plan	Investment plan in the future
Giga-Byte Communications Inc.	(94,208)	Smart phones	Economic instability in Eastern Europe	Effectively adjusting product and customer structure	None
G-Style	(54,936)	Sales of NB products	High competition, low margin	Transform products into niche products/transfer to niche market	None
Gigazone	(19,923)	Creating the Gigabyte channel brand and beginning from China	Losses from opening stores in China	Review brand return	None

Note: Disclosed companies are subsidiaries that are actively operating and over which Gigabyte has controlling power (owns 50% of their shares).

VI.Risk Management and Evaluation

(I) The effect of interest rate and exChange rate fluctuation, inflation on the income status of the Company and measures to cope with the problem:

1. Effect of interest rate fluctuation and responding measures: None
2. Effect of exChange rate fluctuation and responding measures:
   (1) 90% of the Company's products are exported and denominated in US Dollars. Major purchases are also denominated in US Dollars. Naturally, the Company hedges 80% of such transactions. Gigabyte is always monitoring currency market fluctuations to stabilize business operations and hedges with currency forward contracts to reduce the impact of exchange rates on the Company's profit.
   (2) All domestic sales by subsidiaries are denominated in RMB. Large fluctuations in the RMB exchange rate will affect our company's hedging strategy and profitability. Our Company uses natural hedging and currency futures in principle. Nevertheless, the People's Bank of China controls the RMB exchange rate and this makes hedging very challenging.
3. The effect of inflation on the profit and loss status of the Company and responding measures: None

(II) The engagement in the investment in high risk and high leverage investments, financing a third party, acting as guarantor in favor of a third party by endorsement, and the policy in derivative trade, the causes of loss or profit from such activities and the measures for coping with the problem:

1. For outward loans, endorsement/guarantee and derivatives, Giga-Byte has faithfully complied with the policies duly enacted in accordance with "Procedures in Acquirement or Disposal of Assets", "Procedures in Outward Loans of Capitals" and "Procedures in Endorsement/guarantee" and conservative policy. Under no circumstances has Giga-Byte engaged in high leverage investment.

2. Company acting as the guarantor:

March 31, 2015

Unit: 1000 NTD

Endorsee	Affiliation to the Company	Upper limit of guarantee (Note)	Upper limit of guarantee to the same enterprise (Note)	Balance under guaranty at ending period
Cloud Ride Limited	Subsidiary	6,871,885	310,870	172,706

Note: The ceiling of total outstanding guarantees is 30% of the Company's net value. The ceiling for a single party (except the Company's 100% owned subsidiary) is 20% of the net value, and should not exceed 50% of the Company's capital.

(III) R&D plans, the current progress of R&D plans in progress, R&D expenses that should be committed in the future, expected date of volume production, and the factors contributing to successful R&D in the future in the most recent year and up to the publication date of the annual report:

1. R&D Plans in the Most Recent Year:

(1) We have continued to lead the world in motherboard technologies. Our new Champion motherboard series set dozens of overclocking world records immediately upon launch, making Gigabyte motherboards synonymous with extreme performance but also demonstrating our superiority in stability, performance, quality and service over our competitors. The new Champion series is a testament to Gigabyte's commitment to performance, quality and the DIY market. Its popularity among overclockers, performance enthusiasts and even avid gamers represented not only recognition of Gigabyte's design efforts and innovation, but also shows that our unique design and choice of materials truly satisfies the demands for gaming and computer performance among elite users.

(2) We are focusing on gaming notebook products with a dual-brand strategy based around Gigabyte and Aorus to increase the depth and breadth of our products. Early this year, we launched the X5 15.6" gaming notebook with dual GTX965M discrete display cards as well as a full range of 13", 15" and 17" slim high-end gaming notebooks to meet the needs of gamers from all generations. The latest 15.6" X5 gaming notebook with dual GTX display cards boasts industry-leading performance, advanced NVIDIA G-SYNC technology, XSplit live stream software and is the first in the world to feature internal hardware compression (X5). It has already won the Innovation Design Award at Computex 2015 and has once again captured the attention of gamers worldwide.

(3) To realize the goal of ultimate stealth, cooling and performance, Gigabyte equipped its high-end gaming display cards with the WaterForce super 3-Way SLI water-cooling system. The package combines pure processing power, fast cooling and an easy-to-install design into a complete 3-Way SLI graphics card solution that unleashes gaming performance like never before. When integrated with Gigabyte's proprietary cooling system and Flex Display multi-display technology, the result is a smooth and quiet wide-angle gaming experience that allows elite gaming enthusiasts to turn the special effects all the way up and charge their way towards victory.

(4) To build on the success of the BRIX product line we will partner with Intel to launch next-generation products featuring Intel's 5th generation Core product. The product line will also be expanded to the embedded, business and workstation markets. In June for example, we will unveil BRIX Gaming with an internal discrete graphics card at Computex to highlight our R&D capabilities in electronic circuit engineering, materials and cooling technology.

(5) We will take the lead by launching products that support the Nvidia Cloud Gaming platform at the same time as the Nvidia GPU Technology Conference. In the second half of the year, we will also release products that support the GRID platform at the heart of Maxwell. By staying closely attuned to industry trends and developments, Gigabyte will be a player in the high-speed computing products sector as well and take the lead over other Taiwanese companies.

2. Progress of unaccomplished R&D plans:

   Persist to present different types of new products ahead of the others in the industry.

3. The R&D expenses that should be committed will remain at the same level as that of last year.

4. Projection on mass production:

   Mass production has proceeded as scheduled in the research and development plans. A number of advanced and diverse products were presented.

5. Major factors that affect the future success of R&D

   Initiation of projects that further expand our superiority in R&D, supporting hardware and equipment with Cloud services and applications for innovative software and hardware integrations. In addition to providing users with astounding functions, our products have also continued to garner awards and external recognition. We are able and confident in providing our customers with the best products by driving new innovative technologies and marketing of our new products and adhering to our practical and steadfast business philosophies that aims to sustainably maximize the value of our brand

(IV) The influence of significant Changes of policies and laws, domestic or foreign, toward the finance of the Company and the corresponding measures in the most recent year and up to the publication date of the annual report:

Gigabyte management is compliant to both local and international laws. Various departments are able to keep track of changes to major policies and laws and adjust our internal control and management policies as well as business activities where appropriate to ensure smooth business operations. Hence, Gigabyte is able to respond in a timely and effective manner to changes in important policies and laws.

(V) The influence of Changes of technology and in the industry toward the finance of the Company and the corresponding measures in the most recent year and up to the publication date of the annual report:

Gigabyte has been involved in this industry for many years and has continuously invested large amounts of resources for the R&D of new technologies, achieving a first rate R&D capability in our fields. Additionally, Gigabyte's management team maintains constant vigilance for future trends and technologies, and would adjust corporate business strategies and expand new market opportunities so that Gigabyte would remain in effective command of the overall economic environment and be aware of possible changes to corporate finances and businesses resulting from changes in the industry.

(VI) Gigabyte garnered another award for the sixteenth time in a row and has repeatedly won international design awards. We shall be able to maintain our superior corporate image.

(VII) Expected results from mergers and acquisition and possible risk: N/A

(VIII) Expected results from expansion of facilities and possible risk: See Item IV.

(IX) Possible risks from concentration of purchase and sales:

The Company's biggest customer is Giga-Byte Technology B.V., the 100% owned Dutch subsidiary. This Dutch subsidiary makes up 10% of Gigabyte's entire net revenue, and sells Gigabyte's mother boards and VGA products in Europe. From the viewpoint of the group, the revenue sources of the subsidiary are from customers based in Europe, and thus Gigabyte does not face the risk of concentrating business in one particular customer. In terms of vendors, Gigabyte does not face the risk of concentrating business in one particular from a single vendor, and thus does not have risks of doing business with one particular company.

(X) The effect and risk of the massive transaction of or conversion of shares by directors, supervisors or dominant shareholders of the Company holding more than 10% of the stakes:

There were no massive transactions or conversion of shares effected by the supervisors, directors or dominant shareholders of the Company holding more than 10% of the stakes in 2014 or as of date of publication.

(XI) The effect and risks of the Change of the management: N/A.

(XII) Litigious or Non-Litigious Events: None

(XIII) Other major risks and responding measures: None.

VII.Others: None.