ASPEED TECHNOLOGY INC.

BALANCE SHEETS
DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	2015		2014	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents	$ 830,329	69	$ 780,142	75
Available-for-sale financial assets-current	59,927	5	-	-
Accounts receivable, net	200,626	17	171,403	17
Receivables from related parties	148	-	2,109	-
Other receivables	1,993	-	1,930	-
Inventories	42,976	3	45,950	4
Prepayments	3,477	-	4,192	-
Total current assets	1,139,476	94	1,005,726	96
NONCURRENT ASSETS				
Property, plant and equipment	44,766	4	12,505	2
Intangible assets	19,269	2	21,220	2
Deferred income tax assets	1,621	-	1,439	-
Refundable deposits	1,896	-	1,901	-
Total noncurrent assets	67,552	6	37,065	4
TOTAL	$ 1,207,028	100	$ 1,042,791	100

	2015		2014	
LIABILITIES AND EQUITY	**Amount**	**%**	**Amount**	**%**
CURRENT LIABILITIES				
Short-term loans	$ -	-	$ 45,000	4
Accounts payable	34,507	3	33,997	3
Accrued profit sharing bonus to employees and compensation to directors	46,655	4	34,691	3
Other payables	9,326	1	9,875	1
Income tax payable	41,800	3	40,941	4
Provisions	19,022	2	17,217	2
Other current liabilities	478	-	404	-
Total current liabilities	151,788	13	182,125	17
Total liabilities	151,788	13	182,125	17
SHAREHOLDERS' EQUITY				
Capital stock	316,721	26	262,959	25
Capital surplus	277,116	23	246,206	24
Retained earnings				
Legal reserve	86,428	7	58,358	5
Unappropriated earnings	384,019	32	308,844	30
Total retained earnings	470,447	39	367,202	35
Others	(9,044)	(1)	(15,701)	(1)
Total equity	1,055,240	87	860,666	83
TOTAL	$ 1,207,028	100	$ 1,042,791	100

ASPEED TECHNOLOGY INC.

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2015		2014	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE				
Sales Revenue	$ 984,219	100	$ 849,783	100
Other Operating Revenue	8,341	1	6,129	1
Total operating revenue	992,560	101	855,912	101
COST OF REVENUE	438,002	44	384,780	46
GROSS PROFIT	554,558	57	471,132	55
OPERATING EXPENSES				
Marketing	22,262	2	16,642	2
General and administrative	44,488	5	37,870	4
Research and development	119,732	12	111,262	13
Total operating expenses	186,482	19	165,774	19
NON-OPERATING INCOME AND EXPENSES				
Other gains and losses	11,417	1	12,974	1
Other income	10,335	1	7,276	1
Finance costs	(663)	-	(394)	-
Total non-operating income and expenses	21,089	2	19,856	2
INCOME BEFORE INCOME TAX	389,165	40	325,214	38
INCOME TAX EXPENSE	49,257	5	44,513	5
NET INCOME	339,908	35	280,701	33
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Unrealized losses on available-for-sale financial assets	(133)	-	-	-
Total other comprehensive income	(133)	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 339,775	35	$ 280,701	33
EARNINGS PER SHARE				
Basic earnings per share	$ 10.79		$ 8.93	
Diluted earnings per share	$ 10.71		$ 8.87	

ASPEED TECHNOLOGY INC.

STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Capital Stock - Common Stock			Retained Earnings		Others		
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Employee Unearned Compensation	Available-for-sale Financial Assets	Total Equity
BALANCE, JANUARY 1, 2004	23,862	$ 238,617	$ 257,968	$ 41,258	$ 176,730	$ (8,273)	$ -	$ 706,300
Appropriations of prior year's earnings								
Legal reserve	-	-	-	17,100	(17,100)	-	-	-
Cash dividends to shareholders - NT$5.50 per share	-	-	-	-	(131,487)	-	-	(131,487)
Stock dividends from capital surplus	2,390	23,907	(23,907)	-	-	-	-	-
Net income in 2014	-	-	-	-	280,701	-	-	280,701
Issue of restricted employee stock, April 25, 2014	45	450	10,485	-	-	(10,935)	-	-
Issue of restricted employee stock, November 19, 2014	22	220	4,950	-	-	(5,170)	-	-
Cancel of restricted employee stock, July 22, 2014	(10)	(100)	(1,400)	-	-	1,500	-	-
Cancel of restricted employee stock, December 19, 2014	(14)	(135)	(1,890)	-	-	2,025	-	-
Compensation cost of restricted employee share options	-	-	-	-	-	5,152	-	5,152
BALANCE, DECEMBER 31, 2014	26,295	262,959	246,206	58,358	308,844	(15,701)	-	860,666
Appropriations of prior year's earnings								
Legal capital reserve	-	-	-	28,070	(28,070)	-	-	-
Cash dividends to shareholders - NT$7.00 per share	-	-	-	-	(184,071)	-	-	(184,071)
Stock dividends to shareholders - NT$2.00 per share	5,259	52,592	-	-	(52,592)	-	-	-
Employee Stock Bonus	117	1,170	30,910	-	-	-	-	32,080
Net income in 2015	-	-	-	-	339,908	-	-	339,908
Other comprehensive income after tax in 2015	-	-	-	-	-	-	(133)	(133)
Other comprehensive income in 2015	-	-	-	-	339,908	-	(133)	339,775
Compensation cost of restricted employee share options	-	-	-	-	-	6,790	-	6,790
BALANCE, DECEMBER 31, 2015	31,671	$ 316,721	$ 277,116	$ 86,428	$ 384,019	$ (8,911)	$ (133)	$ 1,055,240

ASPEED TECHNOLOGY INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2015 AND 2014
(In Thousands of New Taiwan Dollars)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 389,165	$ 325,214
Adjustments for:		
Depreciation expense	20,073	14,400
Amortization expense	18,967	22,090
Compensation cost	6,790	5,152
Finance costs	663	394
Loss (Gain) on Inventories	(153)	3,354
Provisions	1,805	3,429
Interest Income	(9,282)	(6,432)
Loss (Gain) on Foreign Exchange, net	1,236	(8,605)
Changes in operating assets and liabilities:		
Accounts receivable, net		
Related parties included	(29,473)	(67,443)
Other receivables	(50)	669
Inventories	3,127	(15,532)
Prepayments	715	(940)
Accounts payable	939	8,409
Accrued profit sharing bonus to employees and compensation to directors	44,044	14,050
Other Payables	(524)	(27,136)
Other current liabilities	74	98
Cash generated from operations	448,116	271,171
Interest paid	(688)	(369)
Income taxes paid	(48,580)	(23,650)
Net cash generated by operating activities	398,848	247,152
CASH FLOWS FROM INVESTING ACTIVITIES		
Available-for-sale financial assets	(60,060)	-
Interest received	9,269	6,221
Property, plant and equipment	(52,334)	(12,153)
Intangible assets	(17,016)	(3,466)
Decrease in Refundable deposits	5	4
Net cash used in investing activities	(120,136)	(9,394)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	(45,000)	45,000
Dividends paid to shareholders	(184,071)	(131,487)
Net cash used in financing activities	(229,071)	(86,487)
CHANGES OF EXCHANGE RATES IN CASH AND CASH EQUIVALENTS	546	6,299
NET INCREASE IN CASH AND CASH EQUIVALENTS	50,187	157,570
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	780,142	622,572
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 830,329	$ 780,142