ASPEED TECHNOLOGY INC.

BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2016 (Reviewed) Amount	%	December 31, 2015 (Audited) Amount	%	March 31, 2015 (Reviewed) Amount	%
CURRENT ASSETS						
Cash and cash equivalents	$ 939,319	70	$ 830,329	69	$ 875,886	79
Available-for-sale financial assets-current	60,755	4	59,927	5	-	-
Accounts receivable, net	218,653	16	200,626	17	129,585	12
Receivables from related parties	128	-	148	-	-	-
Other receivables	2,725	-	1,993	-	2,869	-
Inventories	64,408	5	42,976	3	62,015	6
Prepayments	3,147	-	3,477	-	4,275	-
Total current assets	1,289,135	95	1,139,476	94	1,074,630	97
NONCURRENT ASSETS						
Property, plant and equipment	36,631	3	44,766	4	10,568	1
Intangible assets	17,629	1	19,269	2	16,628	2
Deferred income tax assets	5,669	1	1,621	-	1,738	-
Refundable deposits	1,901	-	1,896	-	1,901	-
Total noncurrent assets	61,830	5	67,552	6	30,835	3
TOTAL	$1,350,965	100	$1,207,028	100	$1,105,465	100

LIABILITIES AND EQUITY	March 31, 2016 (Reviewed) Amount	%	December 31, 2015 (Audited) Amount	%	March 31, 2015 (Reviewed) Amount	%
CURRENT LIABILITIES						
Accounts payable	$ 47,517	3	$ 34,507	3	$ 41,917	4
Accrued profit sharing bonus to employees and compensation to directors	15,000	1	46,655	4	44,284	4
Other payables	10,609	1	9,326	1	8,032	1
Income tax payable	64,000	5	41,800	3	51,894	5
Provisions	24,072	2	19,022	2	15,278	1
Other current liabilities	615	-	478	-	614	-
Total current liabilities	161,813	12	151,788	13	162,019	15
Total liabilities	161,813	12	151,788	13	162,019	15
SHAREHOLDERS' EQUITY						
Capital						
Capital stock	316,721	24	316,721	26	262,959	24
Stock dividends to be distributed	42,297	3	-	-	-	-
Total capital	359,018	27	316,721	26	262,959	24
Capital surplus	277,116	21	277,116	23	246,206	22
Retained earnings						
Legal reserve	86,428	6	86,428	7	58,358	5
Unappropriated earnings	473,380	35	384,019	32	389,682	35
Total retained earnings	559,808	41	470,447	39	448,040	40
Others	(6,790)	(1)	(9,044)	(1)	(13,759)	(1)
Total equity	1,189,152	88	1,055,240	87	943,446	85
TOTAL	$1,350,965	100	$1,207,028	100	$1,105,465	100

ASPEED TECHNOLOGY INC.

STATEMENTS OF INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales Revenue	$ 285,308		$ 242,280	
Other Operating Revenue	1,144		158	
Total operating revenue	286,452	100	242,438	100
COST OF REVENUE	123,628	43	107,987	45
GROSS PROFIT	162,824	57	134,451	55
OPERATING EXPENSES				
Marketing	5,108	2	5,683	2
General and administrative	12,807	4	9,913	4
Research and development	29,143	10	26,159	11
Total operating expenses	47,058	16	41,755	17
PROFIT FROM OPERATIONS	115,766	41	92,696	38
NON-OPERATING INCOME AND EXPENSES				
Other income	1,762	1	2,263	1
Finance costs	(3)	-	(79)	-
Other gains and losses	(9,927)	(4)	(3,189)	(1)
Total non-operating income and expenses	(8,168)	(3)	(1,005)	-
INCOME BEFORE INCOME TAX	107,598	38	91,691	38
INCOME TAX EXPENSE	18,237	6	10,853	5
NET INCOME	89,361	32	80,838	33
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Unrealized gains on available-for-sale financial assets	785	-	-	-
Total other comprehensive income	785	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 90,146	32	$ 80,838	33
EARNINGS PER SHARE				
Basic earnings per share	$ 2.83		$ 2.57	
Diluted earnings per share	$ 2.81		$ 2.55	

ASPEED TECHNOLOGY INC.

STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Capital Stock - Common Stock		Stock		Retained Earnings		Others		
	Shares (In Thousands)	Amount	Dividends to be Distributed	Capital Surplus	Legal Reserve	Unappropriated Earnings	Employee Unearned Compensation	Unrealized gain (loss) from Available-for-sale Financial Assets	Total Equity
BALANCE, JANUARY 1, 2015	26,295	$ 262,959	$ -	$ 246,206	$ 58,358	$ 308,844	$ (15,701)	$ -	$ 860,666
Net income for the three months ended March 31, 2015	-	-	-	-	-	80,838	-	-	80,838
Compensation cost of restricted stock for employees	-	-	-	-	-	-	1,942	-	1,942
BALANCE, MARCH 31, 2015	26,295	$ 262,959	$ -	$ 246,206	$ 58,358	$ 389,682	$ (13,759)	$ -	$ 943,446
BALANCE, JANUARY 1, 2016	31,671	$ 316,721	$ -	$ 277,116	$ 86,428	$ 384,019	$ (8,911)	$ (133)	$ 1,055,240
Employee Stock Bonus	-	-	42,297	-	-	-	-	-	42,297
Net income for the three months ended March 31, 2016	-	-	-	-	-	89,361	-	-	89,361
Other comprehensive income after tax	-	-	-	-	-	-	-	785	785
Comprehensive income for the three months ended March 31, 2016	-	-	-	-	-	89,361	-	785	90,146
Compensation cost of restricted stock for employees	-	-	-	-	-	-	1,469	-	1,469
BALANCE, MARCH 31, 2016	31,671	$ 316,721	$ 42,297	$ 277,116	$ 86,428	$ 473,380	$ (7,442)	$ 652	$ 1,189,152

ASPEED TECHNOLOGY INC.

STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	**2015**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 107,598	$ 91,691
Adjustments for:		
Depreciation expense	8,219	2,037
Amortization expense	2,262	4,722
Compensation cost	1,469	1,942
Finance costs	3	79
Loss (gain) on inventories	156	(101)
Recognition of provisions	8,731	5,434
Interest income	(1,451)	(2,227)
Gain on disposal of investments	(43)	-
Loss on foreign currency exchange, net	19,204	3,818
Changes in operating assets and liabilities:		
Accounts receivable, net		
Related parties included	(22,231)	39,922
Other receivables	(763)	(728)
Inventories	(21,588)	(15,964)
Prepayments	330	(83)
Accounts payable	13,804	8,786
Accrued profit sharing bonus to employees and compensation to directors	10,642	9,593
Other payables	1,199	(1,818)
Provisions	(3,681)	(7,373)
Other current liabilities	137	210
Cash generated from operations	123,997	139,940
Interest paid	(3)	(105)
Income taxes paid	(85)	(199)
Net cash generated by operating activities	123,909	139,636
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for available-for-sale financial assets	(15,058)	-
Proceeds on sale of available-for-sale financial assets	15,058	-
Interest received	1,478	2,016
Payments for property, plant and equipment	-	(100)
Payments for intangible assets	(622)	(130)
Increase in Refundable deposits	(5)	-
Net cash generated by investing activities	851	1,786
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	-	(45,000)

(Continued)

ASPEED TECHNOLOGY INC.

STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	**2015**
Net cash used in financing activities	-	(45,000)
CHANGES OF EXCHANGE RATES IN CASH AND CASH EQUIVALENTS	(15,770)	(678)
NET INCREASE IN CASH AND CASH EQUIVALENTS	108,990	95,744
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	830,329	780,142
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 939,319	$ 875,886

(Concluded)