Advantech Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2013 and 2012 and
Independent Accountants' Review Report**

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Shareholders
Advantech Co., Ltd

We have reviewed the accompanying consolidated balance sheets of Advantech Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") as of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012 and the related consolidated statements of comprehensive income for the three months ended September 30, 2013 and 2012, nine months ended September 30, 2013 and 2012 and changes in equity and cash flows for the nine months ended September 30, 2013 and 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

Except as stated in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Engagements to Review Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

The financial statements of the Company's subsidiaries for the nine months ended September 30, 2013 and 2012 had not been reviewed, except those of Advantech Automation Corp. (BVI), Advantech Automation Corp. (HK) Limited, Advantech Corp., Advantech Technology Co., Ltd., Advantech Technology (HK) Co., Limited, and Advantech Technology (China) Co., Ltd. (AKMC), Advantech Europe Holding B.V. (financial statements as of September 30, 2013 reviewed), Advantech Europe B.V. (financial statements as of September 30, 2013 reviewed). The total assets of these subsidiaries were 17.25% (NT$4,348,308 thousand) and 35.2% (NT$8,299,757 thousand) of the Company's consolidated total assets as of September 30, 2013 and 2012, respectively. The total liabilities of these subsidiaries were 21.90% (NT$1,577,427 thousand) and 42.45% (NT$2,934,313 thousand) of the Company's consolidated total liabilities as of September 30, 2013 and 2012, respectively. The comprehensive incomes of these subsidiaries were 17.84% (NT$155,926 thousand), 38.55% (NT$438,832 thousand), 17.14% (NT$480,600 thousand) and 18.03% (NT$585,629 thousand) of the Company's consolidated comprehensive incomes in the three months ended September 30, 2013 and 2012 and nine months ended September 30, 2013 and 2012, respectively. Also, as stated in Note 12 to the consolidated financial statements, the investments accounted for by the equity method were NT$387,950 thousand and NT$361,722 thousand as of September 30, 2013 and 2012, respectively. The equities in earnings of the equity-method investees of these subsidiaries were NT$19,331 thousand, NT$14,217 thousand, NT$59,246 thousand and NT$35,645 thousand of the Company's consolidated net income in the three months ended September 30, 2013 and 2012 and nine months ended September 30, 2013 and 2012, respectively, and these investment amounts as well as additional disclosures in Note 35 "Information on investees" were based on the investees' unreviewed financial statements for the same reporting periods as those of the Company except for Axiomtek Co., Ltd.

Based on our reviews, except for the adjustments which could arise from the financial statements of the Company's subsidiaries that had not been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements of Advantech Co., Ltd. and subsidiaries referred to above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers issued by the Financial Supervisory Commission of the Republic of China (ROC), International Financial Reporting Standard 1 "First-time Adoption of International Financial Reporting Standards" and International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

November 13, 2013

Notice to Readers

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

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

ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars, Except Par Value)
(Reviewed, Not Audited)

	September 30, 2013		December 31, 2012		September 30, 2012		January 1, 2012	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS								
Cash and cash equivalent (Note 6)	$ 2,290,781	9	$ 3,272,043	14	$ 2,188,163	9	$ 2,281,279	11
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	7,498	-	16,879	-	18,757	-	57,204	-
Available-for-sale financial assets - current (Notes 4 and 8)	1,438,047	6	1,537,309	6	906,130	4	873,808	4
Debt investments with no active market - current (Note 9)	486,201	2	423,428	2	335,117	1	241,882	1
Notes receivable from unrelated parties (Notes 4 and 10)	662,405	3	574,292	3	599,095	3	427,256	2
Trade receivables from unrelated parties (Notes 4, 10, and 31)	4,423,633	17	3,634,455	15	4,233,276	18	3,384,644	16
Other receivables from unrelated parties	38,297	-	71,792	-	64,593	-	49,335	-
Inventories (Notes 4 and 11)	3,951,362	16	3,890,166	16	4,459,113	19	3,895,123	18
Other current assets (Notes 15 and 32)	554,049	2	306,949	1	373,396	2	194,137	1
Total current assets	13,852,273	55	13,727,313	57	13,177,640	56	11,404,668	53
NONCURRENT ASSETS								
Available-for-sale financial assets - noncurrent (Notes 4 and 8)	1,702,966	7	2,305,004	10	2,481,443	10	2,343,019	11
Investments accounted for using the equity method (Notes 4 and 12)	387,950	2	379,684	2	361,722	2	363,978	2
Property, plant and equipment (Notes 4, 13 and 32)	7,529,604	30	6,391,636	26	6,260,160	27	6,240,080	29
Goodwill (Notes 4 and 14)	1,088,098	4	632,181	3	669,991	3	607,363	3
Other intangible assets (Note 4)	336,612	1	349,185	1	331,693	1	367,261	2
Deferred tax assets (Notes 4 and 5)	149,409	1	167,386	1	149,531	1	145,206	-
Prepayments for equipment	27,406	-	22,954	-	12,095	-	27,906	-
Long-term prepayments for lease (Note 15)	94,228	-	93,098	-	93,695	-	98,496	-
Other noncurrent assets (Note 28)	42,133	-	40,304	-	39,685	-	40,029	-
Total noncurrent assets	11,358,406	45	10,381,432	43	10,400,015	44	10,233,338	47
TOTAL	$ 25,210,679	100	$ 24,108,745	100	$ 23,577,655	100	$ 21,638,006	100
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Notes 16 and 32)	$ -	-	$ 151,452	1	$ 147,745	1	$ 171,442	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	11,463	-	9,620	-	6,601	-	53,516	-
Trade payables from unrelated parties (Note 31)	2,684,096	11	2,327,248	10	2,753,935	12	1,709,805	8
Other payables (Note 18)	2,437,642	10	2,074,727	9	2,029,054	9	1,738,402	8
Current tax liabilities (Note 4)	655,012	3	324,613	1	261,937	1	407,157	2
Short-term provision for contingent service cost (Note 4)	127,153	-	106,735	-	122,781	-	112,617	-
Current portion of long-term borrowings and bonds payable (Notes 4, 16, 17 and 32)	197,549	1	366	-	584	-	1,584	-
Other current liabilities	340,044	1	495,582	2	533,403	2	389,165	2
Total current liabilities	6,452,959	26	5,490,343	23	5,856,040	25	4,583,688	21
NONCURRENT LIABILITIES								
Bonds payable (Notes 4 and 17)	-	-	184,660	1	317,335	1	760,331	4
Long-term borrowings, net of current portion (Notes 16 and 32)	20,000	-	2,566	-	2,437	-	11,068	-
Deferred tax liabilities (Note 4)	582,452	2	552,179	2	552,874	2	509,752	2
Accrued pension liabilities (Notes 4 and 19)	147,419	1	150,647	-	183,287	1	171,945	1
Other noncurrent liabilities	876	-	1,081	-	356	-	1,116	-
Total noncurrent liabilities	750,747	3	891,133	3	1,056,289	4	1,454,212	7
Total liabilities	7,203,706	29	6,381,476	26	6,912,329	29	6,037,900	28
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY								
Share capital								
Ordinary shares	5,669,249	23	5,639,971	23	5,608,937	24	5,529,961	26
Capital surplus								
Additional paid in capital from share issuance in excess of par value	4,739,683	19	4,563,350	19	4,361,870	18	3,751,469	18
Employee stock options	130,190	-	138,435	1	160,910	1	256,210	1
Changes in percentage of ownership in related parties recognized under the equity method	1,241	-	-	-	-	-	-	-
Total capital surplus	4,871,114	19	4,701,785	20	4,522,780	19	4,007,679	19
Retained earnings								
Legal reserve	3,061,424	12	2,715,185	11	2,715,185	12	2,359,911	11
Special reserve	-	-	545,303	2	545,303	2	621,662	3
Unappropriated earnings	4,469,845	18	3,952,535	17	3,097,642	13	3,524,919	16
Total retained earnings	7,531,269	30	7,213,023	30	6,358,130	27	6,506,492	30
Other equity								
Foreign-currency translation reserve	29,272	-	(104,345)	(1)	(77,943)	-	105,408	-
Unrealized gain or loss on available-for-sale financial assets	(257,527)	(1)	168,944	1	143,062	-	(648,592)	(3)
Total other equity	(228,255)	(1)	64,599	-	65,119	-	(543,184)	(3)
Total equity attributable to owners of the Company	17,843,377	71	17,619,378	73	16,554,966	70	15,500,948	72
NONCONTROLLING INTERESTS	163,596	-	107,891	1	110,360	1	99,158	-
Total equity	18,006,973	71	17,727,269	74	16,665,326	71	15,600,106	72
TOTAL	$ 25,210,679	100	$ 24,108,745	100	$ 23,577,655	100	$ 21,638,006	100

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

(With Deloitte & Touche review report dated November 13, 2013)

ADVANTECH CO., LTD. AND SUBSIDIARIES

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

	Three Months Ended September 30				Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 31)								
Sales	$ 7,787,919	98	$ 6,809,485	97	$ 21,783,857	97	$ 19,985,574	97
Other operating revenue	161,438	2	232,090	3	603,724	3	553,798	3
Total operating revenue	7,949,357	100	7,041,575	100	22,387,581	100	20,539,372	100
OPERATING COSTS (Notes 11, 21 and 31)	4,749,048	60	4,247,947	60	13,226,358	59	12,386,653	60
GROSS PROFIT	3,200,309	40	2,793,628	40	9,161,223	41	8,152,719	40
OPERATING EXPENSES (Notes 21 and 31)								
Selling and marketing expenses	772,680	10	761,182	11	2,281,372	10	2,160,449	10
General and administrative expenses	502,663	6	446,441	6	1,415,979	7	1,286,911	6
Research and development expenses	676,860	8	616,695	9	1,955,610	9	1,762,496	9
Total operating expenses	1,952,203	24	1,824,318	26	5,652,961	26	5,209,856	25
OPERATING PROFIT	1,248,106	16	969,310	14	3,508,262	15	2,942,863	15
NONOPERATING INCOME AND EXPENSES								
Share of the profit of associates and joint ventures (Notes 4 and 12)	19,331	-	14,217	-	59,246	-	35,645	-
Interest income	7,000	-	4,413	-	20,536	-	14,710	-
Gain (loss) on disposal of property, plant and equipment	(9)	-	(1,285)	-	41,726	-	30,274	-
Gain on disposal of investments	8,375	-	3,169	-	65,570	-	32,834	-
Foreign exchange gain, net (Note 4)	11,266	-	-	-	72,843	1	-	-
Valuation gain on financial instruments (Notes 4 and 7)	6,615	-	26,690	-	27,167	-	95,451	-
Dividend revenue	107,980	2	97,927	1	107,980	1	97,927	1
Other income (Notes 8 and 31)	15,370	-	31,065	1	57,007	-	90,939	-
Finance costs (Note 21)	(871)	-	(3,814)	-	(6,319)	-	(14,886)	-
Valuation loss on financial instruments (Notes 4 and 7)	(10,068)	-	(11,148)	-	(46,414)	-	(39,996)	-
Foreign exchange loss, net (Note 4)	-	-	(9,751)	-	-	-	(78,866)	-
Other losses	(1,423)	-	(5,296)	-	(6,307)	-	(13,549)	-
Total nonoperating income and expenses	163,566	2	146,187	2	393,035	2	250,483	1
PROFIT BEFORE INCOME TAX	1,411,672	18	1,115,497	16	3,901,297	17	3,193,346	16
INCOME TAX EXPENSE (Notes 4 and 22)	303,338	4	202,590	3	799,954	3	548,397	3
NET PROFIT FOR THE PERIOD	1,108,334	14	912,907	13	3,101,343	14	2,644,949	13

(Continued)

ADVANTECH CO., LTD. AND SUBSIDIARIES

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

	Three Months Ended September 30				Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME								
Exchange differences on translating foreign operations	$ (63,585)	(1)	$ (62,789)	(1)	$ 153,816	1	$ (202,365)	(1)
Unrealized gain (loss) on available-for-sale financial assets (Notes 4 and 20)	(179,892)	(2)	277,912	4	(426,471)	(2)	791,654	4
Share of the other comprehensive income (loss) of associates and joint ventures (Note 4)	(1,123)	-	(244)	-	2,470	-	(1,955)	-
Income tax relating to the components of other comprehensive income (expense) (Notes 4 and 22)	10,053	-	10,562	-	(27,367)	-	15,961	-
Other comprehensive income for the period, net of income tax	(234,547)	(3)	225,441	3	(297,552)	(1)	603,295	3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 873,787	11	$ 1,138,348	16	$ 2,803,791	13	$ 3,248,244	16
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	$ 1,104,256	14	$ 906,265	13	$ 3,083,216	14	$ 2,626,743	13
Noncontrolling interests	4,078	-	6,642	-	18,127	-	18,206	-
	$ 1,108,334	14	$ 912,907	13	$ 3,101,343	14	$ 2,644,949	13
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	$ 875,281	11	$ 1,132,215	16	$ 2,790,362	13	$ 3,233,911	16
Noncontrolling interests	(1,494)	-	6,133	-	13,429	-	14,333	-
	$ 873,787	11	$ 1,138,348	16	$ 2,803,791	13	$ 3,248,244	16
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 23)								
Basic	$ 1.95		$ 1.62		$ 5.45		$ 4.73	
Diluted	$ 1.94		$ 1.61		$ 5.41		$ 4.67	

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

(With Deloitte & Touche review report dated November 13, 2013) (Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company												
	Issued Capital (Notes 20 and 24)				Retain Earnings (Notes 4, 20 and 27)				Other Equity (Notes 4 and 20)				
	Share Capital	Advance Receipts for Ordinary Shares	Total	Capital Surplus (Notes 4 and 20)	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Total	Noncontrolling Interests (Notes 4, 20 and 27)	Total Equity
BALANCE AT JANUARY 1, 2012	$ 5,517,971	$ 11,990	$ 5,529,961	$ 4,007,679	$ 2,359,911	$ 621,662	$ 3,524,919	$ 6,506,492	$ 105,408	$ (648,592)	$ 15,500,948	$ 99,158	$ 15,600,106
Appropriation of the 2011 earnings													
Legal reserve	-	-	-	-	355,274	-	(355,274)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(76,359)	76,359	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(2,764,981)	(2,764,981)	-	-	(2,764,981)	-	(2,764,981)
Issue of ordinary shares for employee share options	32,160	(11,990)	20,170	83,939	-	-	-	-	-	-	104,109	-	104,109
Compensation cost recognized for employee share options	-	-	-	36,510	-	-	-	-	-	-	36,510	-	36,510
Convertible bonds converted to ordinary shares	58,806	-	58,806	394,652	-	-	-	-	-	-	453,458	-	453,458
Change in capital surplus from investments in associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	(2,890)	(2,890)	-	-	(2,890)	-	(2,890)
Additional acquisition of equity interest in a subsidiary	-	-	-	-	-	-	(6,099)	(6,099)	-	-	(6,099)	(3,131)	(9,230)
Net profit for the nine months ended September 30, 2012	-	-	-	-	-	-	2,626,743	2,626,743	-	-	2,626,743	18,206	2,644,949
Other comprehensive income for the nine months ended September 30, 2012, net of income tax	-	-	-	-	-	-	(1,135)	(1,135)	(183,351)	791,654	607,168	(3,873)	603,295
Total comprehensive income for the nine months ended September 30, 2012	-	-	-	-	-	-	2,625,608	2,625,608	(183,351)	791,654	3,233,911	14,333	3,248,244
BALANCE AT SEPTEMBER 30, 2012	$ 5,608,937	$ -	$ 5,608,937	$ 4,522,780	$ 2,715,185	$ 545,303	$ 3,097,642	$ 6,358,130	$ (77,943)	$ 143,062	$ 16,554,966	$ 110,360	$ 16,665,326
BALANCE AT JANUARY 1, 2013	$ 5,639,971	$ -	$ 5,639,971	$ 4,701,785	$ 2,715,185	$ 545,303	$ 3,952,535	$ 7,213,023	$ (104,345)	$ 168,944	$ 17,619,378	$ 107,891	$ 17,727,269
Appropriation of the 2012 earnings													
Legal reserve	-	-	-	-	346,239	-	(346,239)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(545,303)	545,303	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(2,763,586)	(2,763,586)	-	-	(2,763,586)	-	(2,763,586)
Issue of ordinary shares for employee share options	15,590	-	15,590	62,364	-	-	-	-	-	-	77,954	-	77,954
Compensation cost recognized for employee share options	-	-	-	16,508	-	-	-	-	-	-	16,508	-	16,508
Change in capital surplus from investments in associates and joint ventures accounted for by the equity method	-	-	-	1,241	-	-	-	-	-	-	1,241	-	1,241
Additional acquisition of equity interest in a subsidiary	-	-	-	-	-	-	(1,384)	(1,384)	-	-	(1,384)	(2,211)	(3,595)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	44,487	44,487
Convertible bonds converted to ordinary shares	13,688	-	13,688	89,216	-	-	-	-	-	-	102,904	-	102,904
Net profit for the nine months ended September 30, 2013	-	-	-	-	-	-	3,083,216	3,083,216	-	-	3,083,216	18,127	3,101,343
Other comprehensive income for the nine months ended September 30, 2013, net of income tax	-	-	-	-	-	-	-	-	133,617	(426,471)	(292,854)	(4,698)	(297,552)
Total comprehensive income for the nine months ended September 30, 2013	-	-	-	-	-	-	3,083,216	3,083,216	133,617	(426,471)	2,790,362	13,429	2,803,791
BALANCE AT SEPTEMBER 30, 2013	$ 5,669,249	$ -	$ 5,669,249	$ 4,871,114	$ 3,061,424	$ -	$ 4,469,845	$ 7,531,269	$ 29,272	$ (257,527)	$ 17,843,377	$ 163,596	$ 18,006,973

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

(With Deloitte & Touche review report dated November 13, 2013)

ADVANTECH CO., LTD. AND SUBSIDIARIES

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

	Nine Months Ended September 30	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 3,901,297	$ 3,193,346
Adjustments for:		
Depreciation expenses	272,310	260,424
Amortization expenses	73,041	72,529
Impairment loss recognized on trade receivables	16,274	33,125
Compensation cost of employee share options	16,508	36,510
Finance costs	6,319	14,886
Interest income	(20,536)	(14,710)
Share of profit of associates and joint ventures	(59,246)	(35,645)
Gain on disposal of property, plant and equipment	(41,726)	(30,274)
Gain on disposal of available-for-sale financial assets	(69,942)	(32,834)
Loss on disposal of former associates	4,372	-
Loss recognized on the write-down and disposal of inventories	160,286	168,485
Changes in operating assets and liabilities		
Decrease (increase) in financial assets held for trading	11,224	(8,468)
Increase in notes receivable	(44,980)	(171,839)
Increase in trade receivables	(665,003)	(758,065)
Increase in trade receivables - related parties	(2,803)	(9,594)
Decrease (increase) in other receivables	52,816	(14,252)
Increase in inventories	(9,238)	(607,646)
Increase in other current assets	(223,551)	(176,457)
Increase in trade payables	229,328	912,235
(Decrease) increase in accrued pension liabilities	(3,228)	11,342
Increase in other payables	342,865	267,216
Increase (decrease) in other current liabilities	(163,736)	135,838
Cash generated from operations	3,782,651	3,246,152
Interest received	19,112	13,704
Dividend received	42,777	33,146
Interest paid	(3,557)	(4,424)
Income tax paid	(541,957)	(654,820)
Net cash generated from operating activities	3,299,026	2,633,758
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in prepayments for equipment	(4,452)	15,811
Purchase of available-for-sale financial assets	(3,964,415)	(1,892,861)
Proceeds of the sale of available-for-sale financial assets	4,288,263	2,586,480
Purchase of debt investments with no active market	(62,773)	(93,235)
Proceeds from disposal of investments accounted for using equity method	19,330	-
Net cash inflow on acquisition of subsidiaries	(713,829)	(176,915)
Net cash inflow on disposal of subsidiaries	11,654	14,503

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ADVANTECH CO., LTD. AND SUBSIDIARIES

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

	Nine Months Ended September 30	
	2013	**2012**
Payments for property, plant and equipment	$ (1,110,894)	$ (399,209)
Proceeds of the disposal of property, plant and equipment	76,251	62,808
Decrease (increase) in refundable deposits	(544)	1,269
Payments for intangible assets	(61,656)	-
Net cash (used in) generated from investing activities	(1,523,065)	118,651
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(151,452)	(23,697)
Cash dividends paid	(2,763,586)	(2,764,981)
Employee share options exercised	77,954	104,109
Repayments of long-term borrowings	(69,532)	(9,631)
Decrease in guarantee deposits	(205)	(760)
Changes in noncontrolling interests	(3,595)	(9,230)
Net cash used in financing activities	(2,910,416)	(2,704,190)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	153,193	(141,335)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(981,262)	(93,116)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,272,043	2,281,279
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 2,290,781	$ 2,188,163

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

(With Deloitte & Touche review report dated November 13, 2013) (Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)
(Reviewed, Not Audited)

1. GENERAL INFORMATION

Advantech Co., Ltd. (the "Company") is a listed company established in September 1981. It manufactures and sells embedded computing boards, industrial automation products, applied computers and industrial computers.

To improve the entire operating efficiency of the group, the Company's board of directors resolved on June 30, 2009 to have a short-form merger with Advantech Investment and Management Service (AIMS). The effective merger date was July 30, 2009. As the survivor entity, the Company assumed all assets and liabilities of AIMS.

The Company's shares have been listed on the Taiwan Stock Exchange since December 1999.

The functional currency of the Company is New Taiwan dollars. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company's stock is listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized for issue on November 13, 2013.

3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

a. New and revised standards, amendments and interpretations in issue but not yet effective

In addition to the disclosure in Note 3 to the consolidated financial statements as of March 31, 2013, the Company and its entire controlled subsidiaries (the "Group") have not applied the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations (IFRIC), and Standing Interpretations (SIC) that have been issued by the IASB.

As of the date that the consolidated financial statements were approved and authorized for issue, the Financial Supervisory Commission ("FSC") has not announced the effective dates for the following new and revised standards, amendments and interpretations:

New, Revised Standards, Amendments and Interpretations		Effective Date Announced by IASB (Note)
Not yet endorsed by the FSC		
Amendment to IAS 36	Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets	January 1, 2014
Amendment to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	January 1, 2014
IFRIC 21	Levies	January 1, 2014

Note: Unless otherwise noted, the above new and revised standards, amendments and interpretations are effective for annual periods beginning on or after the respective effective dates.

b. Possible significant changes in accounting policy resulting from new and revised standards, amendments and interpretations in issue but not yet effective

Except for the following and the disclosure in Note 3 of the consolidated financial statements as of March 31, 2013, the initial application of the above new and revised standards, amendments and interpretations is not expected to have any material impact on the Group's accounting policies:

1) IFRS 9 "Financial Instruments"

With regard to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" to be subsequently measured at amortized cost or fair value. Specifically, financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the balance sheet date. However, the Group may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss.

As for financial liabilities, the main changes in the classification and measurement relate to the subsequent measurement of financial liabilities designated as at fair value through profit or loss. The amount of change in the fair value of such financial liability attributable to changes in the credit risk of that liability, is presented in other comprehensive income and the remaining amount of change in the fair value of that liability is presented in profit or loss, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. If the above accounting treatment would create or enlarge an accounting mismatch in profit or loss, the Group presents all gains or losses on that liability in profit or loss.

2) New and revised standards on consolidation, joint arrangement, and associates and disclosure

a) IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities." The Group considers its ability of control over other entities for consolidation. The Group has control over an investee if and only if it has (a) power over the investee; (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

b) IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in the current standards.

c) Revision to IAS 28 “Investments in Associates and Joint Ventures”

Revised IAS 28 requires when a portion of an investment in associates meets the criteria to be classified as held for sale, that portion is classified as held for sale. Any retained portion that has not been classified as held for sale is accounted for using the equity method. Previously, when a portion of an investment in associates meets the criteria to be classified as held for sale, the entire investment is classified as held for sale and ceases to apply the equity method.

3) IFRS 13 “Fair Value Measurement”

IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only will be extended by IFRS 13 to cover all assets and liabilities within its scope.

4) Amendments to IAS 1 “Presentation of Items of Other Comprehensive Income”

The amendments to IAS 1 require items of other comprehensive income to be grouped into those that (1) will not be reclassified subsequently to profit or loss; and (2) will be reclassified subsequently to profit or loss when specific conditions are met. Income taxes on related items of other comprehensive income are grouped on the same basis. Previously, there were no such requirements.

5) Revision to IAS 19 “Employee Benefits”

The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the “corridor approach” permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The revision requires all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with a “net interest” amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

6) Amendments to IAS 36 “Recoverable Amount Disclosures for Non-financial Assets”

In issuing IFRS 13 “Fair Value Measurement”, the IASB made some consequential amendments to the disclosure requirements in IAS 36 “Impairment of Assets”, introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that the disclosure of such recoverable amount is required during the period when an impairment loss has been recognized or reversed. Furthermore, the Group is required to disclose the discount rate used in current and previous measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

c. Possible material impact on consolidated financial statements resulted from new and revised standards, amendments and interpretations issued but not yet effective

The initial application of the standards, amendments and interpretations that caused significant changes in accounting policy, had the following impact on the financial position and operating results of the Group:

The Group is in the process of estimating the impact of the initial application of the standards, amendments and interpretations on its financial position and results of operations. Disclosures will be provided until a detailed review of the impact has been completed and the consolidated financial statements have been approved and authorized for issuance.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On May 14, 2009, the Financial Supervisory Commission (FSC) announced the "Framework for the Adoption of IFRSs by the Companies in the ROC." Under this framework, starting from 2013, companies with shares listed on the Taiwan Stock Exchange, traded on the Taiwan GreTai Securities Market or Emerging Stock Market should prepare their consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), the Interpretations approved by the FSC (IFRIC) and SIC.

The date of transition to IFRSs was January 1, 2012. Refer to Note 37 for the impact of IFRS conversion on the consolidated financial statements.

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, Business Accounting Law, Business Accounting Guidelines, IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 34 "Interim Financial Reporting" as endorsed by the FSC. Disclosure information included in interim financial reports is less than disclosures required in a full set of annual financial reports.

b. Basis of preparation

The consolidated financial statements have been prepared on the same basis as the consolidated financial statements as of March 31, 2013. Refer to the Note 4 to the consolidated financial statements as of March 31, 2013 for details.

Subsidiaries included in the consolidated financial statements

The consolidated entities were as follows:

		% of Ownership			
Investor	**Investee**	**September 30, 2013**	**December 31, 2012**	**September 30, 2012**	**January 1, 2012**
Advantech Co., Ltd.	AAC (BVI)	100.00	100.00	100.00	100.00
	ATC	100.00	100.00	100.00	100.00
	Advansus Corp.	100.00	100.00	100.00	50.00
	Advantech Fund-A	100.00	100.00	100.00	100.00
	AEUH	100.00	100.00	100.00	100.00
	ASG	100.00	100.00	100.00	100.00
	AAU	100.00	100.00	100.00	100.00
	AJP	100.00	100.00	100.00	100.00
	AMY	100.00	100.00	100.00	100.00
	AKR	100.00	100.00	100.00	100.00
	ABR	43.28	43.28	43.28	43.28
	AiST (Remark 1)	-	100.00	100.00	100.00
	ACA	99.36	99.36	99.36	99.36
	AIN	99.99	99.99	-	-
	AdvanPOS Technology Co., Ltd. (Remark 2)	70.19	-	-	-
	Advantech - LNC Technology Co., Ltd. (Remark 2)	99.97	-	-	-
	AHK	-	-	100.00	100.00

(Continued)

Investor	Investee	% of Ownership September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Advantech Fund-A	Netstar Technology Co., Ltd.	95.48	94.28	92.86	89.79
	BCM Embedded Computer Inc.	-	100.00	100.00	100.00
	Broadwin Technology Inc. (AiST) (Remark 1)	100.00	100.00	100.00	100.00
	Cemate Technology Inc.	55.00	55.00	55.00	55.00
ATC	ATC (HK)	100.00	100.00	100.00	100.00
ATC (HK)	AKMC	100.00	100.00	100.00	100.00
AAC (BVI)	ANA	100.00	100.00	100.00	100.00
	AAC (HK)	100.00	100.00	100.00	100.00
ANA	ABR	16.72	16.72	16.72	16.72
	AMX	100.00	100.00	-	-
AAC (HK)	ACN	100.00	100.00	100.00	100.00
	AiSC	100.00	100.00	100.00	100.00
	AXA	100.00	100.00	100.00	100.00
ACN	Hangzhou Advantofine Automation Co., Ltd.	60.00	60.00	60.00	60.00
AEUH	AEU	100.00	100.00	100.00	100.00
	APL	100.00	100.00	100.00	100.00
	A-DLOG	-	-	-	100.00
AEU	A-DLOG	100.00	100.00	100.00	-
	Innocore	-	-	100.00	100.00
Innocore	IGL	-	-	100.00	100.00
ASG	ATH	51.00	51.00	51.00	51.00
	AID	100.00	100.00	100.00	-
Cermate Technology Inc.	Land Mark	100.00	100.00	100.00	100.00
Land Mark	Cermate (Shanghai)	100.00	100.00	100.00	100.00
	Cermate (Shenzhen)	90.00	90.00	90.00	90.00
AdvanPOS Technology Co., Ltd.	Bright Mind Ltd.	100.00	-	-	-
Bright Mind Ltd.	AdvanPOS Technology Shanghai Co., Ltd.	100.00	-	-	-
Advantech - LNC Technology Co., Ltd.	Better Auto Holdings Ltd.	100.00	-	-	-
Better Auto Holdings Ltd.	Famous Now Limited	100.00	-	-	-
Famous Now Limited	Dongguan Pou Yuen Digital Technology Co., Ltd.	100.00	-	-	-

(Concluded)

Remark 1: Subsidiaries AiST and Broadwin Technology Inc. ("Broadwin") had merged as of June 30, 2013, as of the reorganization, the entity's name became AiST.

Remark 2: As of September 30, 2013, Advantech Co., Ltd. acquired 70.19% and 99.97% equity of AdvanPOS Technology Co., Ltd. and Advantech - LNC Technology Co., Ltd., respectively. The acquiree companies are consolidated entities as of September 30, 2013.

c. Other significant accounting policies

The same accounting policies have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the three months ended March 31, 2013, except for those described below. Refer to Note 4 to the consolidated financial statements as of March 31, 2013 for the summary of significant accounting policies.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements followed in these consolidated financial statements are the same as those used in the preparation of the consolidated financial statements for the three months ended March 31, 2013, except for those described below. Refer to Note 5 to the consolidated financial statements for the three months ended March 31, 2013 for the details of critical accounting judgments and key sources of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Cash on hand	$ 88,800	$ 2,742	$ 3,260	$ 3,174
Checking accounts and demand deposits	1,925,876	2,496,697	1,960,710	2,239,968
Time deposits with original maturities less than three months	276,105	772,604	224,193	38,137
	$ 2,290,781	$ 3,272,043	$ 2,188,163	$ 2,281,279

Cash equivalents include time deposits that have a maturity of three months or less from the date of acquisition, are readily convertible to a known amount of cash, and are subject to an insignificant risk of changes in value; these were held for the purpose of meeting short-term cash commitments.

The market rates for cash in bank at the end of the reporting period were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Time deposits	0.75%-2.80%	0.73%-4.50%	0.52%-2.30%	0.38%-3.30%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Financial assets held for trading - current				
Foreign exchange forward contracts	$ 7,498	$ 16,879	$ 18,757	$ 57,204
Financial liabilities held for trading - current				
Foreign exchange forward contracts	$ 11,463	$ 9,620	$ 6,601	$ 53,516

At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
September 30, 2013			
Sell	USD/NTD	2013.10-2014.01	USD21,812/NTD651,771
	EUR/USD	2013.10-2014.04	EUR6,500/USD8,621
	EUR/NTD	2013.10-2014.03	EUR11,000/NTD432,851
	JPY/USD	2013.10-2013.11	JPY20,000/USD204
	JPY/NTD	2013.10-2014.02	JPY200,000/NTD60,029

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2012			
Sell	EUR/NTD	2013.01-2013.06	EUR5,000/NTD189,762
	EUR/USD	2013.01-2013.06	EUR10,000/USD13,024
	USD/NTD	2013.01-2013.06	USD41,047/NTD1,201,760
	JPY/NTD	2013.01-2013.05	JPY130,000/NTD47,989
	JPY/USD	2013.01-2013.05	JPY80,000/USD1,023
September 30, 2012			
Sell	USD/NTD	2012.10-2013.03	USD37,027/NTD1,102,536
	JPY/USD	2012.10-2013.03	JPY120,000/USD1,531
	JPY/NTD	2012.10-2013.02	JPY130,000/NTD49,257
	EUR/USD	2012.10-2013.02	EUR6,000/USD7,643
	EUR/NTD	2012.10-2013.03	EUR4,500/NTD168,933
January 1, 2012			
Sell	EUR/NTD	2012.01-2012.06	EUR5,500/NTD223,957
	EUR/USD	2012.01-2012.06	EUR13,000/USD18,419
	USD/NTD	2012.01-2012.06	USD44,935/NTD1,308,802
	JPY/USD	2012.01-2012.04	JPY120,000/USD1,517
	JPY/NTD	2012.01-2012.04	JPY140,000/NTD52,273

(Concluded)

The Group entered into foreign exchange forward contracts during the nine months ended September 30, 2013 and 2012 to manage exposures due to exchange rate fluctuations of foreign-currency denominated assets and liabilities. The Group's financial hedging strategy is to minimize risks due to market price fluctuations and cash flows; however, because these contracts did not meet the criteria for hedge effectiveness, they were not subject to hedge accounting.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	September 30, 2013		December 31, 2012		September 30, 2012		January 1, 2012	
	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Domestic investments								
Mutual funds	$ 1,360,068	$ -	$ 1,495,111	$ -	$ 865,863	$ -	$ 833,866	$ -
Quoted shares								
Chunghwa Telecom Co., Ltd.	46,872	117,772	15,588	117,524	15,489	116,778	16,495	124,364
ASUSTek Computer Inc.	-	1,211,992	-	1,784,146	-	1,955,418	-	1,576,266
Pegatron Corp.	-	339,945	-	370,077	-	375,990	-	609,132
Aver Information Inc.	16,450	-	17,464	-	15,402	-	23,447	-
Taiwan 50	9,707	-	9,146	-	9,376	-	-	-
Inotera Memories Inc.	4,950	-	-	-	-	-	-	-
Foreign investments								
Unquoted foreign shares								
Coban Research and Technologies, Inc. (US$1,020 thousand in September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012)	-	33,257	-	33,257	-	33,257	-	33,257
	$ 1,438,047	$ 1,702,966	$ 1,537,309	$ 2,305,004	$ 906,130	$ 2,481,443	$ 873,808	$ 2,343,019

The Company and its subsidiary, Advantech Fund-A, classified their shares in Chunghwa Telecom Co., Ltd. as available-for-sale financial assets - noncurrent and current, respectively, in accordance with the nature of the shares and their respective purposes for holding the shares.

The Group's designated unquoted foreign shares, which were originally recognized as financial assets measured at cost, amounted to $33,257 thousand. Those shares were recognized as available-for-sale financial assets as of January 1, 2012, the transition date to IFRSs (Note 37). Refer to Note 30 for the determination of fair values of those shares and other available-for-sale financial assets.

For its securities borrowing and lending transactions, the Group placed some of its quoted domestic stock, recorded under available-for-sale assets - noncurrent, in a trust at Chinatrust Commercial Bank. As of September 30, 2013 and 2012, the stock held in trust amounted to $1,434,747 thousand and $2,195,228 thousand, respectively. Please refer to Table 3 for more information. On the transactions, the Group recognized gains of $1,512 thousand and $5,922 thousand in the nine months ended September 30, 2013 and 2012, respectively. These amounts were recorded under other nonoperating income.

9. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Time deposits with original maturities of more than three months	$ 486,201	$ 423,428	$ 335,117	$ 241,882

The market interest rates for time deposits with original maturities of more than three months were from 0.935% to 4.44% and from 0.52% to 4.0% per annum, as of the nine months ended September 30, 2013 and 2012, respectively.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Notes receivable	$ 662,405	$ 574,292	$ 599,095	$ 427,256
Trade receivables	$ 4,542,520	$ 3,719,043	$ 4,313,841	$ 3,435,432
Less: Allowance for impairment loss	(118,887)	(84,588)	(80,565)	(50,788)
	$ 4,423,633	$ 3,634,455	$ 4,233,276	$ 3,384,644

a. Trade receivables

For the trade receivables balances that were past due at the end of the reporting period, the Group did not recognize an allowance for impairment loss, because there was not a significant change in credit quality and the amounts were still considered recoverable. The Group did not hold any collateral or other credit enhancements for these balances.

The aging of receivables that were past due date but not impaired were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
31 to 60 days	$ 72,399	$ 299,077	$ 97,975	$ 255,214
61 to 90 days	63,611	105,687	38,257	35,581
	$ 136,010	$ 404,764	$ 136,232	$ 290,795

The above aging schedule was based on past due dates.

b. Information on the movement in the allowance for impairment loss recognized on trade receivables

Movement in the allowance for impairment loss recognized on trade receivables was as follows:

	2013	2012
Balance at January 1	$ 84,588	$ 50,788
Impairment losses recognized from business combination	23,568	-
Add: Impairment losses recognized on receivables	16,274	33,125
Deduct: Amounts written off as uncollectible	(4,866)	(1,839)
Foreign exchange translation gains and losses	(677)	(1,509)
Balance at September 30	$ 118,887	$ 80,565

11. INVENTORIES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Raw materials	$ 1,727,059	$ 1,701,505	$ 2,207,366	$ 1,714,333
Work in progress	747,840	618,995	563,743	537,887
Finished goods	1,216,100	1,152,589	1,320,821	1,274,747
Inventories in transit	260,363	417,077	367,183	368,156
	$ 3,951,362	$ 3,890,166	$ 4,459,113	$ 3,895,123

The cost of inventories recognized as cost of goods sold included inventory write-downs and disposal of inventories. Inventory write-downs in the three months ended September 30, 2013 and 2012 amounted to $87,932 thousand and $26,814 thousand, respectively. For the nine months ended September 30, 2013 and 2012, inventory write-downs amounted to $111,662 thousand and $63,831 thousand, respectively. Disposal of inventories in the three months ended September 30, 2013 and 2012 amounted to $1,321 thousand and $28,985 thousand, respectively. For the nine months ended September 30, 2013 and 2012, disposal of inventories amounted to $48,624 thousand and $104,654 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

Name of Investee	September 30, 2013 Carrying Value	September 30, 2013 Percentage of Equity Ownership	December 31, 2012 Carrying Value	December 31, 2012 Percentage of Equity Ownership	September 30, 2012 Carrying Value	September 30, 2012 Percentage of Equity Ownership	January 1, 2012 Carrying Value	January 1, 2012 Percentage of Equity Ownership
Listed companies								
Axiomtek Co., Ltd.	$ 381,327	28.21%	$ 372,944	28.86%	$ 355,054	28.57%	$ 355,638	28.57%
Unlisted companies								
Jan Hsiang Electronics Co., Ltd.	6,623	28.50%	6,740	28.50%	6,668	28.50%	8,340	28.50%
	$ 387,950		$ 379,684		$ 361,722		$ 363,978	

Fair value of publicly traded investments accounted for using the equity method are summarized as follows, based on the closing price of those investments at the balance sheet date:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Axiomtek Co., Ltd.	$ 830,441	$ 602,775	$ 535,852	$ 429,786

The equity-method investees' financial statements, which had been used to determine the carrying amounts of the Group's investments, shares of profits and other comprehensive income of associates, had been reviewed, except those of Jan Hsiang Electronics Co., Ltd. The Group believes that, had Jan Hsiang Electronics Co., Ltd.'s financial statements been reviewed, any adjustments arising would have had no material effect on the Group's consolidated financial statements.

13. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Freehold land	$ 2,914,572	$ 2,818,523	$ 2,819,132	$ 2,842,023
Buildings	2,321,691	2,260,798	2,278,543	2,258,825
Equipment	388,879	409,455	402,248	409,492
Office equipment	170,864	160,679	144,795	197,335
Other facilities	306,131	281,211	331,975	295,858
Construction in progress	1,427,467	460,970	283,467	236,547
	$ 7,529,604	$ 6,391,636	$ 6,260,160	$ 6,240,080

	Freehold Land	Buildings	Equipment	Office Equipment	Other Facilities	Property in Construction	Total
Cost							
Balance at January 1, 2012	$ 2,842,023	$ 2,810,520	$ 1,058,027	$ 480,556	$ 778,249	$ 236,547	$ 8,205,922
Additions	-	2,225	44,393	29,106	108,038	215,447	399,209
Disposals	(17,616)	(6,427)	(31,026)	(12,614)	(12,557)	(10,206)	(90,446)
Acquisitions through business combinations	-	-	27,061	5,823	10,923	-	43,807
Reclassifications	-	138,753	36,742	5,788	(27,900)	(150,941)	2,442
Effect of exchange differences	(5,275)	(48,059)	(13,391)	(9,719)	(10,699)	(7,380)	(94,523)
Balance at September 30, 2012	$ 2,819,132	$ 2,897,012	$ 1,121,806	$ 498,940	$ 846,054	$ 283,467	$ 8,466,411

(Continued)

	Freehold Land	Buildings	Equipment	Office Equipment	Other Facilities	Property in Construction	Total
Balance at January 1, 2013	$ 2,818,523	$ 2,902,510	$ 1,158,555	$ 536,207	$ 838,366	$ 460,970	$ 8,715,131
Additions	-	3,130	25,127	54,631	66,975	961,031	1,110,894
Disposals	(17,089)	(7,785)	(16,784)	(10,039)	(6,391)	(1,571)	(59,659)
Acquisitions through business combinations	109,686	113,362	86,003	13,724	10,614	-	333,389
Reclassifications	-	(143)	9,125	5,124	(10,361)	(3,883)	(138)
Effect of exchange differences	3,452	50,274	14,898	9,280	12,656	10,920	101,480
Balance at September 30, 2013	$ 2,914,572	$ 3,061,348	$ 1,276,924	$ 608,927	$ 911,859	$ 1,427,467	$ 10,201,097

(Concluded)

	Buildings	Equipment	Office Equipment	Other Facilities	Total
Accumulated depreciation and impairment					
Balance at January 1, 2012	$ 551,695	$ 648,535	$ 283,221	$ 482,391	$ 1,965,842
Disposals	(935)	(26,349)	(11,784)	(18,844)	(57,912)
Depreciation expense	66,735	88,446	43,686	61,557	260,424
Acquisition through business combination	-	22,284	4,287	7,542	34,113
Effect of exchange differences	(9,940)	(5,824)	(5,513)	(7,331)	(28,608)
Reclassifications	10,914	(7,534)	40,248	(11,236)	32,392
Balance at September 30, 2012	$ 618,469	$ 719,558	$ 354,145	$ 514,079	$ 2,206,251
Balance at January 1, 2013	$ 641,712	$ 749,100	$ 375,528	$ 557,155	$ 2,323,495
Disposals	(4,524)	(7,224)	(7,709)	(5,677)	(25,134)
Depreciation expense	69,994	89,737	45,688	66,891	272,310
Acquisition through business combination	20,781	49,809	11,408	5,760	87,758
Effect of exchange differences	11,694	6,639	6,323	8,575	33,231
Reclassifications	-	(16)	6,825	(26,976)	(20,167)
Balance at September 30, 2013	$ 739,657	$ 888,045	$ 438,063	$ 605,728	$ 2,671,493

The above items of property, plant and equipment were depreciated on a straight-line basis over the following economic lives:

Buildings	
Main buildings	20-60 years
Electronic equipment	5 years
Engineering systems	5 years
Equipment	2-8 years
Office equipment	2-8 years
Other facilities	2-10 years

Refer to Note 32 for the carrying amount of property, plant and equipment pledged by the Group to secure its borrowings.

14. GOODWILL

Goodwill is the difference between the price of purchasing an investment and the acquisition-date fair value of the net assets obtained. Changes in goodwill as of the nine months ended September 30, 2013 and 2012 were as follows:

	2013	2012
Cost		
Balance at January 1	$ 632,181	$ 607,363
Additional amounts recognized from business combinations occurring during the period (Note 25)	451,576	62,931
Disposal of subsidiary during the period (Note 26)	(6,279)	-
Effect of exchange differences, net	10,620	(303)
Balance at September 30	$ 1,088,098	$ 669,991

15. PREPAYMENTS FOR LEASE

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Current assets (included in other current assets)	$ 2,462	$ 2,386	$ 2,386	$ 2,461
Noncurrent assets	94,228	93,098	93,695	98,496
	$ 96,690	$ 95,484	$ 96,081	$ 100,957

Lease prepayments refer to the Group’s rights to use land located in Mainland China.

16. BORROWINGS

a. Short term borrowings

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Secured borrowings				
Bank loans	$ -	$ -	$ -	$ 7,000
Unsecured borrowings				
Line of credit borrowings	-	151,452	147,745	164,442
	$ -	$ 151,452	$ 147,745	$ 171,422

1) The weighted average effective interest rates on secured and unsecured bank borrowings were 1.32% to 1.63%, 1.54%, and 1.35% to 1.63% per annum as of December 31, 2012, September 30, 2012 and January 1, 2012, respectively.

2) To meet its financing need, Netstar Technology Co., Ltd., an indirect subsidiary of the Company, obtained from a bank a secured loan, with a fixed interest rate. The carrying value was $7,000 thousand for the credit line as of January 1, 2012.

3) To meet its financing need, Advantech Technology (China) Company Ltd., an indirect subsidiary of the Company, obtained from a bank an unsecured credit line, with a floating interest rate. The carrying values for the credit line were $146,452 thousand, $147,745 thousand, and $151,442 thousand as of December 31, 2012, September 30, 2012 and January 1, 2012, respectively. As of the six months ended, June 30, 2013, AKMC had repaid its bank loans in advance because it held sufficient funds and had no financing needs.

4) To meet its financing need, Cermate Technologies Inc., an indirect subsidiary of the Company, obtained from a bank an unsecured credit line, with fixed interest rate. The carrying values of the credit line were $5,000 thousand and $13,000 thousand as of December 31, 2012 and January 1, 2012, respectively. As of the six months ended, June 30, 2013, Cermate Technologies Inc. had repaid its bank loans in advance because it held sufficient funds and had no financing needs.

b. Long-term borrowings

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Secured borrowings				
Bank loans	$ 133,400	$ 2,932	$ 3,021	$ 12,652
Less: Current portion	(113,400)	(366)	(584)	(1,584)
Long-term borrowings	$ 20,000	$ 2,566	$ 2,437	$ 11,068

AdvanPOS Technology Co., Ltd., a subsidiary of the Company, obtained a mortgage loan for capital expenditure. The loan is repayable monthly at various amounts two or three years after the contract date. The valid contract period is from May 22, 2012 to May 22, 2032. As of September 30, 2013, the effective interest rate was between 1.82% and 1.85%.

Cermate Technologies Inc., an indirect subsidiary of the Company, obtained a mortgage bank loan for capital expenditure. This loan is repayable every one or three months at various amounts from March 2006 to March 2021. As of December 31, 2012, September 30, 2012 and January 1, 2012 the effective interest rate was 2.29%. As of the six months ended June 30, 2013, Cermate Technologies Inc. had repaid its bank loans in advance because it held sufficient funds and had no financing needs.

17. BONDS PAYABLE

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Unsecured domestic convertible bonds	$ 85,300	$ 190,200	$ 328,600	$ 800,000
Less: Unamortized discount on bonds payable	(1,151)	(5,540)	(11,265)	(39,669)
Less: Current portion	(84,149)	-	-	-
	$ -	$ 184,660	$ 317,335	$ 760,331

On May 26, 2011, the Company issued three-year unsecured convertible bonds, with an aggregate face value of $800,000 thousand, a coupon rate of 0%, and an effective interest rate of 2.13%. Bondholders may convert the bonds into the Company's common shares at an agreed conversion price between May 27, 2012 and May 16, 2014. If the bonds are not converted, the Company should redeem the bonds at their face value upon maturity. According to the Statement of Financial Accounting Standard (SFAS) No. 36, the Company has bifurcated the bonds into liability and equity components. The bonds had been recorded as stock options from capital surplus amounting to $44,716 thousand and bonds payable amounting to $750,943 thousand. As of September 30, 2013, the conversion price was $75.55 per share.

18. OTHER LIABILITIES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Other payables				
Salaries or bonuses payable	$ 1,482,497	$ 1,256,296	$ 1,085,630	$ 981,384
Payable for royalties	84,568	61,870	72,133	61,843
Payable for employee benefits	92,873	89,795	74,720	90,297
Others	777,704	666,766	796,571	604,878
	$ 2,437,642	$ 2,074,727	$ 2,029,054	$ 1,738,402

Payables for employee benefits consisted of accruals toward employee annual holidays and holiday benefits for long-term services.

19. RETIREMENT BENEFIT PLANS

The Group's retirement benefit plans include defined contribution and defined benefit plans. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2012 and January 1, 2012, and recognized in their respective periods. Refer to Note 19 to the consolidated financial statements as of March 31, 2013 for information on the Group's retirement benefit plans.

Employee benefit expenses were included in the following line items:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2012	2012
Operating cost	$ 246	$ 552	$ 846	$ 1,652
Marketing expenses	$ 206	$ 354	$ 605	$ 1,047
Administration expenses	$ 330	$ 415	$ 837	$ 1,220
Research and development expenses	$ 551	$ 1,120	$ 1,721	$ 3,398

20. EQUITY

a. Share capital

Ordinary shares

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Numbers of shares authorized (in thousands)	600,000	600,000	600,000	600,000
Shares authorized	$ 6,000,000	$ 6,000,000	$ 6,000,000	$ 6,000,000
Number of shares issued and fully paid (in thousands)	566,925	563,997	560,894	552,996
Shares issued	$ 5,669,249	$ 5,639,971	$ 5,608,937	$ 5,529,961

b. Capital surplus

The premium from shares issued in excess of par (including share premium from issuance of common shares and conversion of bonds) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited once a year at a certain percentage of the Company's capital surplus).

The capital surplus from long-term investments and employee share options may not be used for any purpose.

c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation, if the Company has earnings for the year, it should primarily make taxation payments, offset any past years' deficits and then make appropriations for its legal reserve at 10% of annual net income. In addition, a special reserve should be appropriated or reversed as needed, adding cumulative retained earnings from previous periods and retaining partially, retained earnings for corporate growth. The remainder of the income should be appropriated in the following order:

1) 1% to 20% as bonus to employees;
2) 1% or less as remuneration to directors and supervisors; and
3) Dividends, as proposed by the board of directors.

Recipients of stock bonuses may include subsidiaries' employees who meet the criteria set by the Company's board of directors.

Any appropriations from earnings should be recorded in the year of shareholders' approval, following the year the earnings were generated.

For the nine months ended September 30, 2013 and 2012, the bonuses to employees and remunerations to directors and supervisors were $54,000 thousand and $54,000 thousand (included in other payables), respectively. These amounts were estimated and accrued on the basis of past experience. If the actual amounts subsequently resolved by the shareholders differ from the proposed amounts, the differences are recorded in the year of shareholders' resolution as a change in accounting estimates. If bonus shares are resolved to be distributed to employees, the number of shares is determined by dividing the amount of at the share bonus by the fair value of the shares. The fair value of the shares refers to the closing price (after considering the effect of cash and stock dividends) of the shares on the day immediately preceding the shareholders' meeting.

Under Rule No. 100116 and Rule No. 0950000507 issued by the FSC, certain amounts shall be transferred from unappropriated earnings to a special reserve before any appropriation of earnings generated before 2012 shall be made. Any special reserve appropriated may be reversed to the extent of the decrease in the net debit balance.

Under Rule No. 1010012865 issued by the FSC on April 6, 2012 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", on the first-time adoption of IFRSs, a company should appropriate and reverse a special reserve.

Appropriation of earnings to legal reserve should be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset a deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Except for non-ROC resident shareholders, all shareholders receiving the dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Company.

The Company operates in an industry related to computers, and its business related to network servers is new but with significant potential for growth. Thus, in formulating its dividend policy, the Company takes into account the overall business and industry conditions and trends, its objective of enhancing the shareholders' long-term interests, and the sustainability of the Company's growth. The policy also requires that stock dividends be less than 75% of total dividends to retain internally generated cash within the Company to finance future capital expenditures and working capital requirements.

The appropriations of earnings for 2012 and 2011 had been approved in the shareholders' meetings on June 13, 2013 and June 13, 2012, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		**Dividends Per Share (Dollars)**	
	2012	**2011**	**2012**	**2011**
Legal reserve	$ 346,239	$ 355,274	$ -	$ -
Special reserve (reversal)	(545,303)	(76,359)	-	-
Cash dividends	2,763,586	2,764,981	4.9	5.0

The bonus to employees and the remuneration to directors and supervisors for 2012 and 2011 approved in the shareholders' meetings on June 13, 2013 and June 13, 2012, respectively, were as follows:

	Cash Dividends Years Ended December 31	
	2012	**2011**
Bonus to employees	$ 60,000	$ 60,000
Remuneration to directors and supervisors	12,000	12,000

The appropriations of earnings for 2012 were proposed according to the Company's financial statements for 2012, which were prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, and by reference to the balance sheet for the year ended December 31, 2012, which was prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers (revised) and International Financial Reporting Standards.

There was no significant difference between the approved amounts of the bonus to employees and the remuneration to directors and supervisors and the accrual amounts reflected in the financial statements.

Information on bonuses to employees, directors and supervisors proposed by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

d. Other equity items

1) Foreign currency translation reserve

	2013	2012
Balance at January 1	$ (104,345)	$ 105,408
Exchange differences arising on translating the foreign operations	158,514	(198,492)
Income tax relating to gains arising on translating the net assets of foreign operations	(27,367)	15,961
Share of exchange difference of associates accounted for using the equity method	2,470	(820)
Balance at September 30	$ 29,272	$ (77,943)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that were designated as hedging instruments for hedges of net investments in foreign operations were included in the foreign currency translation reserve, and upon the disposal of the foreign operations, were reclassified to profit or loss.

2) Unrealized gain or loss from available-for-sale financial assets

	2013	2012
Balance at January 1	$ 168,944	$ (648,592)
Unrealized gain (loss) arising on revaluation of available-for-sale financial assets	(363,930)	824,351
Cumulative gain reclassified to profit or loss on sale of available-for-sale financial assets	(62,541)	(32,697)
Balance at September 30	$ (257,527)	$ 143,062

Unrealized gain or loss from available-for-sale financial assets refers to the cumulative gains and losses arising on the revaluation of available-for-sale financial assets that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

e. Noncontrolling interests

	2013	2012
Balance at January 1	$ 107,891	$ 99,158
Attributable to noncontrolling interests:		
Share of profit for the year	18,127	18,206
Exchange difference arising on translation of foreign entities	(4,698)	(3,873)
Acquisition of noncontrolling interests in Subsidiaries (Note 25)	44,487	-
Acquisition of noncontrolling interests in Subsidiaries (Note 27)	(2,211)	(3,131)
Balance at September 30	$ 163,596	$ 110,360

21. NET OPERATING PROFIT

a. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Interest on bank overdrafts and loans	$ 282	$ 1,492	$ 3,926	$ 4,424
Interest on convertible bonds	589	2,322	2,393	10,462
	$ 871	$ 3,814	$ 6,319	$ 14,886

b. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
An analysis of depreciation by function				
Operating costs	$ 33,841	$ 35,725	$ 87,484	$ 80,191
Operating expenses	58,758	41,889	184,826	180,233
	$ 92,599	$ 77,614	$ 272,310	$ 260,424
An analysis of amortization by function				
Operating costs	$ 881	$ 404	$ 3,112	$ 5,926
Operating expenses	17,789	20,746	69,929	66,603
	$ 18,670	$ 21,150	$ 73,041	$ 72,529

c. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Post-employment benefits (Note 19)				
Defined contribution plans	$ 48,774	$ 55,696	$ 149,439	$ 142,337
Defined benefit plans	1,333	2,441	4,009	7,317
	50,107	58,137	153,448	149,654
Other employee benefits	1,587,423	1,536,822	4,503,354	4,070,883
Total employee benefits expense	$ 1,637,530	$ 1,594,959	$ 4,656,802	$ 4,220,537
An analysis of employee benefits expense by function				
Operating costs	$ 335,772	$ 282,861	$ 965,647	$ 866,867
Operating expenses	1,301,758	1,312,098	3,691,155	3,353,670
	$ 1,637,530	$ 1,594,959	$ 4,656,802	$ 4,220,537

22. INCOME TAX

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Current tax				
In respect of the current period	$ 280,768	$ 202,098	$ 689,284	$ 474,677
Tax on retained earnings	-	-	89,787	50,884
Deferred tax	22,570	492	20,883	22,836
Income tax expense recognized in profit or loss	$ 303,338	$ 202,590	$ 799,954	$ 548,397

The Group used the average yearly effective income taxation rate to estimate the midyear taxation expense. However, because of the large discrepancies in tax-exempt income and nondeductable expenses used to estimate the yearly and actual midyear taxation amounts, the difference between the midyear taxation expense and the actual taxable income for the period multiplied by the taxation rate was recorded as deferred income tax. Thus, the reconciliation between accounting income and taxable income will not be disclosed.

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Deferred tax liabilities				
Recognized in other comprehensive income				
Translation of foreign operations	$ 10,053	$ 10,562	$ (27,367)	$ 15,961

For the nine months ended September 30, 2013 and 2012, the effective income tax rates were 17% for the Company under the Income Tax Law of the ROC and 25% for subsidiary firms in Mainland China. For those subsidiaries located elsewhere, the income tax expenses were based on the income tax rates of their respective jurisdictions.

c. Integrated income tax

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Unappropriated earnings				
Unappropriated earnings generated on and after January 1, 1998	$ 4,469,845	$ 3,952,535	$ 3,097,642	$ 3,524,919
Imputation credits accounts	$ 284,522	$ 399,880	$ 139,284	$ 256,138

The actual creditable ratio for distribution of earnings of 2012 and 2011 were 10.88% (estimate) and 11.58%, respectively.

Under the Income Tax Law, for distribution of earnings generated after 1998, the imputation credits allocated to ROC resident shareholders of the Company was calculated based on the creditable ratio as of the date of dividend distribution. Therefore, the expected creditable ratio for the 2012 earnings may differ from the actual creditable ratio to be used in allocating imputation credits to the shareholders.

Under Tax Ruling No. 10204562810 issued by the MOF, when calculating creditable ratio in the first year of adopting IFRSs, the recorded accumulated unappropriated retained earnings should include the net increase or decrease of retained earnings that resulted from adjustments made in the first-time adoption of IFRSs.

d. Income tax assessments

The tax returns through 2007, have been assessed by the tax authorities.

23. EARNINGS PER SHARE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Basic earnings per share	$1.95	$1.62	$5.45	$4.73
Diluted earnings per share	$1.94	$1.61	$5.41	$4.67

As of the nine months ended September 30, 2012, the amount of earnings per share increased when employees' share options were taken into consideration, which means these options had an anti-dilutive effect. Thus, the employees' share options should not be considered when calculating diluted earnings per share.

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Earnings used in the computation of basic earnings per share	$ 1,104,256	$ 906,265	$ 3,083,216	$ 2,626,743
Effect of dilutive potential ordinary shares:				
Convertible bonds	589	2,322	2,393	10,462
Employee share options	3,768	-	13,702	-
Bonuses issued to employees	-	-	-	-
Earnings used in the computation of diluted earnings per share	$ 1,108,613	$ 908,587	$ 3,099,311	$ 2,637,205

Weighted Average Number of Ordinary Shares Outstanding (In Thousand Shares)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	**2012**	**2013**	**2012**
Weighted average number of ordinary shares in computation of basic earnings per share	566,157	558,673	565,276	555,308
Effect of dilutive potential ordinary shares:				
Convertible bonds	1,488	5,788	2,020	8,650
Employee share options	4,831	-	5,027	-
Bonuses issued to employees	280	441	280	441
Weighted average number of ordinary shares used in the computation of diluted earnings per share	572,756	564,902	572,603	564,399

The Accounting Research and Development Foundation issued Interpretation 2007-052, which requires companies to recognize bonuses paid to employees, directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings. If the Company decides to settle the bonus to employees by cash or shares, the Company should presume that the entire amount of the bonus will be settled in shares and, if the potential resulting shares have a dilutive effect, these shares should be included in the weighted average number of shares outstanding used in the calculation of diluted EPS. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares should be included in the calculation of diluted EPS until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

24. SHARE-BASED PAYMENT ARRANGEMENTS

Qualified employees of the Company and its subsidiaries were granted 3,000 thousand options in July 2010 and 10,000 thousand options in December 2009. Each option entitles the holder to subscribe for one thousand common shares of the Company. The holders of these shares include employees whom meet certain criteria from the Company, from both domestic and overseas subsidiaries in which the Company directly or indirectly invests over 50%. Options issued in July 2010 and December 2009 are valid for five years. Both are exercisable at certain percentages after the second anniversary year from the grant date. The options were granted at an exercise price equal to the closing price of the Company’s common shares listed on the grant date. For any subsequent changes in the Company’s paid-in capital, the exercise price and the number of options will be adjusted accordingly.

Information on employee share options as of September 30, 2013 and 2012 is as follows:

Employee Share Options	For the Nine Months Ended September 30			
	2013		2012	
	Number of Options (In Thousands)	Weighted-average Exercise Price (NT$)	Number of Options (In Thousands)	Weighted-average Exercise Price (NT$)
Balance at January 1	8,450	$50.46	11,801	$53.05
Options exercised	1,559	50.00	2,017	51.62
Balance at September 30	6,891	48.68	9,784	50.43
Options exercisable, end of period	6,891	48.68	9,784	50.43
Weighted-average fair value of options granted (NT$)	$16.45-20.25		$16.45-20.25	

Information on outstanding options for the nine months ended September 30, 2013 and 2012 is as follows:

Employee Share Options	September 30, 2013		September 30, 2012	
	Range of Exercise Price (NT$)	Weighted-average Remaining Contractual Life (Years)	Range of Exercise Price (NT$)	Weighted-average Remaining Contractual Life (Years)
Issuance in 2010	$54.2	1.78	$56.1	2.78
Issuance in 2009	46.7	1.17	48.4	2.17

Options granted in 2010 were priced using the Black-Scholes model, and the inputs to the model were as follows:

Grant-date share price (NT$)	67.4
Exercise price (NT$)	67.4
Expected volatility	34.11%-35.15%
Expected life (years)	3.5-4.5
Expected dividend yield	0%
Risk-free interest rate	0.92%-1.10%

Options granted in 2009 were priced using the Black-Scholes model, and the inputs to the model were as follows:

Grant-date share price (NT$)	61.9
Exercise price (NT$)	61.9
Expected volatility	33.78%-35.22%
Expected life (years)	3.5-4.5
Expected dividend yield	0%
Risk-free interest rate	0.58-0.79%

Expected volatility is based on the historical stock price volatility over the past five years.

Compensation cost recognized were $16,508 thousand and $36,510 thousand for the nine months ended September 30, 2013 and 2012, respectively.

25. BUSINESS COMBINATIONS

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Advantech - LNC Technology Co., Ltd.	Production and sale of Machine control solution	August 30, 2013	99.97%	$ 729,787
AdvanPOS Technology Co., Ltd.	Production and sale of POS system	July 31, 2013	70.19%	$ 319,461
Advansus Corp.	Production and sale of industrial automation products	January 2, 2012	50.00%	$ 306,000

The Company acquired 99.97% equity of LNC Technology Co., Ltd., a subsidiary of Pou Chen Group, and renamed it Advantech - LNC Technology Co., Ltd. In addition to cultivating the existing business of machine control solution, the Company will develop the field of robotics and intelligent control platform, expanding the market of automatic control.

The Company acquired 70.19% equity of AdvanPOS Technology Co., Ltd. to expand the new retail market of intelligent products. After acquisition, AdvanPOS Technology Co., Ltd. keeps its name and focuses on extending the area of POS system.

The Company acquired 50% of Advansus Corp. from Pegatron Corp. to facilitate the Company's business expansion and improve its economic returns. After this acquisition, the Company's equity in Advansus Corp. became 100%.

b. Considerations transferred

	For the Nine Months Ended September 30		
	2013		2012
	Advantech - LNC Technology Co., Ltd.	AdvanPOS Technology Co., Ltd.	Advansus Corp.
Cash	$ 729,787	$ 319,461	$ 306,000

The Company acquired 99.97% equity of Advantech - LNC Technology Co., Ltd. for $729,787 thousand at NT$14.6 per share on August 30, 2013. Also, the Company acquired 70.19% equity of AdvanPOS Technology Co., Ltd. for $319,461 thousand at NT$25 per share on July 31, 2013.

The Company acquired 50% of Advansus Corp. for $306,000 thousand at NT$17 per share. The Company paid $126,000 thousand of the acquisition price as of March 31, 2012 and the remaining $180,000 thousand on June 30, 2012.

c. Assets acquired and liabilities assumed at the date of acquisition

	For the Nine Months Ended September 30		
	2013		2012
	Advantech - LNC Technology Co., Ltd.	AdvanPOS Technology Co., Ltd.	Advansus Corp.
Current assets			
Cash and cash equivalents	$ 250,638	$ 84,781	$ 258,170
Financial assets available-for-sale - current	-	-	80,030
Notes receivable	40,541	2,592	-
Trade receivables	110,266	26,703	231,215
Inventories	134,261	77,983	249,659
Other receivables	13,607	4,290	-
Other current assets	15,701	7,877	4,008
Noncurrent assets			
Plant and equipment	33,391	212,240	19,387
Other noncurrent assets	3,004	1,803	3,447
Current liabilities			
Trade and other payables	(99,871)	(67,748)	(330,992)
Tax liabilities	(916)	-	(11,986)
Other current liabilities	(7,192)	(1,792)	(16,800)
Noncurrent liabilities			
Long-term borrowings	-	(200,000)	-
	493,430	148,729	486,138
Percentage of equity interest acquired	99.97%	70.19%	50%
Net amount	$ 493,282	$ 104,393	$ 243,069

d. Goodwill arising on acquisition

	For the Nine Months Ended September 30		
	2013		2012
	Advantech - LNC Technology Co., Ltd.	AdvanPOS Technology Co., Ltd.	Advansus Corp.
Consideration transferred	$ 729,787	$ 319,461	$ 306,000
Add: Noncontrolling interest (0.03% of ownership equity of Advantech - LNC Technology Co., Ltd.)	151	-	-
Add: Noncontrolling interest (29.81% of ownership equity of AdvanPOS Technology Co., Ltd.)	-	44,336	-
Less: Fair value of identifiable net assets acquired	(493,430)	(148,729)	(243,069)
Goodwill arising on acquisition	$ 236,508	$ 215,068	$ 62,931

Goodwill arising in the acquisition of Advantech - LNC Technology Co., Ltd., AdvanPOS Technology Co., Ltd. and Advansus Corp. resulted from the control premium included in the cost of the combination. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of acquiree companies. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

e. Net cash outflow on acquisition of subsidiaries

	For the Nine Months Ended September 30	
	2013	**2012**
Consideration paid in cash	$ 1,049,248	$ 306,000
Less: Cash and cash equivalent balances acquired	(335,419)	(129,085)
	$ 713,829	$ 176,915

f. Impact of acquisitions on the results of the Group

The results of acquirees since the acquisition date included in the consolidated statements of comprehensive income were as follows:

	For the Nine Months Ended September 30	
	2013	**2012**
Revenue		
Advantech - LNC Technology Co., Ltd.	$ 31,045	$ -
AdvanPOS Technology Co., Ltd.	$ 60,086	$ -
Advansus Corp.	$ -	$ 2,261,157
Profit (loss)		
Advantech - LNC Technology Co., Ltd.	$ (1,717)	$ -
AdvanPOS Technology Co., Ltd.	$ (1,246)	$ -
Advansus Corp.	$ -	$ 99,763

26. DISPOSAL OF SUBSIDIARIES

As of June 30, 2013, the Group had disposed 100% of its equity interests in BCM Embedded Computer Inc. (BCM), which manufactured telecommunications equipment and electronic parts. The subsidiary was disposed of because of an analysis indicating a decline in the subsidiary’s business scope and its failure to improve the Group’s economic returns and resource use. On June 30, 2013, this disposal was completed and control of BCM was passed to the acquirer.

a. Consideration received from the disposal

	BCM Embedded Computer Inc.
Consideration received in cash and cash equivalents	$ 13,500

b. Analysis of asset and liabilities on the date control was lost

	BCM Embedded Computer Inc.
Current assets	
Cash and cash equivalents	$ 1,846
Available-for-sale financial assets - current	10,609
Other current assets	32
Noncurrent assets	
Property, plant and equipment	1
Current liabilities	
Other current liabilities	(786)
Net assets disposed of	$ 11,702

c. Loss on disposal of subsidiary

	For the Nine Months Ended September 30, 2013
Consideration received	$ 13,500
Net assets disposed of	(11,702)
Goodwill	(6,279)
Unrealized gain from available-for-sale financial - assets reclassified from equity to profit or loss on loss of control of subsidiary	109
Loss on disposal	$ (4,372)

d. Net cash inflow on disposal of subsidiary

	For the Nine Months Ended September 30, 2013
Consideration received in cash and cash equivalents	$ 13,500
Less: Cash and cash equivalent balances disposed of	(1,846)
	$ 11,654

27. EQUITY TRANSACTIONS WITH NONCONTROLLING INTERESTS

For the nine months ended September 30, 2012, the Group acquired an additional 3.07% interest in Netstar Technology Co., Ltd., increasing its interest from 89.79% to 92.86%.

For the nine months ended September 30, 2013, the Group acquired an additional 1.2% interest in Netstar Technology Co., Ltd., increasing its interest from 94.28 % to 95.48%.

The above transactions were accounted for as equity transactions since the Group had control over these subsidiaries.

	For the Nine Months Ended September 30	
	2013	2012
Cash consideration paid	$ (3,595)	$ (9,230)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to noncontrolling interests	2,211	3,131
Differences arising from equity transaction	$ (1,384)	$ (6,099)
Line items adjusted for equity transaction		
Retained earnings	$ (1,384)	$ (6,099)

28. OPERATING LEASE ARRANGEMENTS

The Group as Lessee

Lease arrangements

The Group leased offices in the U.S.A., Europe and Japan from third parties; the lease contracts, which will end between 2012 and 2017, are renewable upon expiry.

For the three months ended September 30, 2013 and 2012 there were no significant increases in lease payments. Refer to Note 27 of the consolidated financial statements as of March 31, 2013 for details.

29. CAPITAL MANAGEMENT

Management followed the same objectives, policies and process for managing capital, and capital structures of consolidated financial statements in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the three months ended March 31, 2013. Refer to Note 28 to the consolidated financial statements as of March 31, 2013 for details.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments

1) Fair value of financial instruments not carried at fair value

Except as detailed in the following table, the management believed that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximated their fair values:

	September 30, 2013		December 31, 2012	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Financial liabilities measured at amortized cost:				
Convertible bonds	$ 84,149	$ 182,892	$ 184,660	$ 280,375

	September 30, 2012		January 1, 2012	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial liabilities				
Financial liabilities measured at amortized cost:				
Convertible bonds	$ 317,335	$ 425,571	$ 760,331	$ 810,484

2) Fair value measurements recognized in the balance sheets

Financial instruments are analyzed after initial recognition at fair value and are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

a) Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;

b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

September 30, 2013

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 7,498	$ -	$ 7,498
Available-for-sale financial assets				
Securities listed in ROC				
Equity securities	$ 1,747,688	$ -	$ -	$ 1,747,688
Unlisted securities - other countries				
Equity securities	-	-	33,257	33,257
Mutual funds	1,360,068	-	-	1,360,068
	$ 3,107,756	$ -	$ 33,257	$ 3,141,013
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 11,463	$ -	$ 11,463

December 31, 2012

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 16,879	$ -	$ 16,879

(Continued)

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Securities listed in ROC				
Equity securities	$ 2,313,945	$ -	$ -	$ 2,313,945
Unlisted securities - other countries				
Equity securities	-	-	33,257	33,257
Mutual funds	1,495,111	-	-	1,495,111
	$ 3,809,056	$ -	$ 33,257	$ 3,842,313
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 9,620	$ -	$ 9,620

(Concluded)

September 30, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 18,757	$ -	$ 18,757
Available-for-sale financial assets				
Securities listed in ROC				
Equity securities	$ 2,488,453	$ -	$ -	$ 2,488,453
Unlisted securities - other countries				
Equity securities	-	-	33,257	33,257
Mutual funds	865,863	-	-	865,863
	$ 3,354,316	$ -	$ 33,257	$ 3,387,573
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 6,601	$ -	$ 6,601

January 1, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 57,204	$ -	$ 57,204
Available-for-sale financial assets				
Securities listed in ROC				
Equity securities	$ 2,349,704	$ -	$ -	$ 2,349,704
Unlisted securities - ROC				
Equity securities	-	-	33,257	33,257
Mutual funds	833,866	-	-	833,866
	$ 3,183,570	$ -	$ 33,257	$ 3,216,827
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 53,516	$ -	$ 53,516

As of the nine months ended September 30, 2013 and 2012, there were no transfers between Level 1 and 2 in the current and prior periods.

3) Valuation techniques and assumptions applied for the purpose of measuring fair value

The fair values of financial assets and financial liabilities were determined as follows:

a) The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices. Where such prices were not available, valuation techniques were applied. The estimates and assumptions used by the Group are consistent with those that market participants would use in setting a price for the financial instrument.

b) The fair values of derivative instruments were calculated using quoted prices. Where such prices were not available, a discounted cash flow analysis was performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. The estimates and assumptions used by the Group were consistent with those that market participants would use in setting a price for the financial instrument.

   The fair values of forward contracts are estimated using a yield curve, which projects future interest rate changes in relation to predetermined settlement rates for these contracts on maturity.

c) The fair values of other financial assets and financial liabilities (excluding those described above) were determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

b. Categories of financial instruments

	September 30, 2013	**December 31, 2012**	**September 30, 2012**	**January 1, 2012**
<u>Financial assets</u>				
Fair value through profit or loss (FVTPL)				
Designated as at FVTPL	$ 7,498	$ 16,879	$ 18,757	$ 57,204
Loans and receivables (Note 1)	7,901,317	7,976,010	7,420,244	6,384,396
Available-for-sale financial assets (Note 2)	3,141,013	3,842,313	3,387,573	3,216,827
<u>Financial liabilities</u>				
Fair value through profit or loss (FVTPL)				
Designated as at FVTPL	11,463	9,620	6,601	53,516
Measured at amortized cost (Note 3)	5,339,287	4,741,019	5,251,090	4,392,632

Note 1: The balances included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, debt investments with no active market, note receivables, trade receivables and other receivables.

Note 2: The balances included the carrying amount of available-for-sale financial assets measured at cost.

Note 3: The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, trade and other payables, accrued convertible bonds and long-term borrowings.

c) Financial risk management objectives and policies

The Group's major financial instruments included equity investments, trade receivables, trade payables, and borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into financial instrument transactions (including derivative financial instruments) for speculative purposes.

The Corporate Treasury function reported quarterly to the board of directors on the Group's current derivative instrument management.

1) Market risk

The Group's activities expose it primarily to financial risks on changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed it to foreign currency risk. The Group's sales were denominated in currencies other than the functional currency of the group entity making the sale; likewise the costs were denominated in the group entity's functional currency. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Assets				
USD	$ 2,585,932	$ 4,459,875	$ 5,084,739	$ 3,424,850
EUR	787,824	758,525	859,661	818,687
RMB	2,518,961	-	-	-
Liabilities				
USD	2,778,840	4,811,871	5,880,904	3,971,804
RMB	1,083,748	-	-	-

The carrying amounts of the Group's derivatives exposed to foreign currency risk at the end of the reporting period were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Assets				
USD	$ 7,183	$ 9,858	$ 17,891	$ 444
EUR	155	55	676	56,517
JPY	160	6,966	190	243
	$ 7,498	$ 16,879	$ 18,757	$ 57,204
Liabilities				
USD	$ 168	$ 163	$ 180	$ 49,903
EUR	10,568	9,457	5,829	3,613
JPY	727	-	592	-
	$ 11,463	$ 9,620	$ 6,601	$ 53,516

Sensitivity analysis

The Group was mainly exposed to U.S. dollar, Euro and Chinese Yuan currencies.

The following table details the Group's sensitivity to a 5% increase in New Taiwan dollars (the functional currency) against the relevant foreign currencies. This 5% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of reasonable changes in foreign exchange rates. The sensitivity analysis only includes outstanding monetary items denominated in foreign currencies and forward contracts designated as cash flow hedges, and their translation is adjusted at the end of the reporting period for a 5% change in foreign currency rates. The sensitivity analysis includes cash and cash equivalents, trade receivables, bank borrowings and trade payables. A positive number below indicates an increase in post-tax profit associated with New Taiwan dollars strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on post-tax profit and the balances below would be negative.

	U.S. Dollar Impact		Euro Impact		Chinese Yuan Impact	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012	2013	2012
Profit or loss	$ 18,672 (Note 1)	$ 6,562 (Note 1)	$ 12,445 (Note 2)	$ 32,563 (Note 2)	$ (37,919) (Note 3)	$ - (Note 3)

Note 1: This was mainly attributable to the exposure outstanding on U.S. dollars denominated cash, trade receivables, trade payables, and bank borrowing, which were not hedged at the end of the reporting period.

Note 2: This was mainly attributable to the exposure outstanding on Euro denominated cash, trade receivables and payables, which were not hedged at the end of the reporting period.

Note 3: This was mainly attributable to the exposure outstanding on Chinese Yuan denominated cash, trade receivables and trade payables.

b) Interest rate risk

The Group's floating-rate bank savings are exposed to risk on changes in interest rates for financial assets. The Group was also exposed to risk on changes in interest rates for financial liabilities, specifically fixed and floating-rate bank borrowings. The Group was not engaged in hedging activities for speculative purposes. The Group's management monitors fluctuations in market interest rates regularly to ensure that interest rate risks are minimized.

The Group's fixed-term bank deposits are exposed to fair value interest rate risk; however, this expected risk is insignificant.

The carrying amount of the Groups financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Fair value interest rate risk				
Financial assets	$ 871,616	$ 1,309,802	$ 657,120	$ 280,019
Financial liabilities	-	7,932	3,021	32,652
Cash flow interest rate risk				
Financial assets	1,696,850	2,119,181	1,748,432	1,886,373
Financial liabilities	133,400	146,452	147,745	151,442

Sensitivity analysis

The sensitivity analyses below were determined based on the Groups exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents managements assessment of the reasonably possible change in interest rates.

Had interest rates been 50 basis points higher and all other variables had been held constant, the Group’s pretax profit for the nine months ended September 30, 2013 and 2012 would have increased by $5,863 thousand and $6,003 thousand, respectively. Had interest rates been 50 basis points lower, the effects on the Group’s pretax profit would have been of the same amounts but negative. The source of the negative effects would have been mainly the floating-interest rates on bank savings.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and open-end mutual funds. The Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

Had equity prices been 1% higher, pretax other comprehensive gains for the nine months ended September 30, 2013 and 2012 would have increased by $31,078 thousand and $33,543 thousand, respectively, as a result of changes in fair value of available-for-sale investments. Had equity prices been 1% lower, the effects on pretax other comprehensive gains would have been of the same amounts but negative.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Groups maximum exposure to credit risk due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognized financial assets, as stated in the balance sheets.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider the Group’s credit risk as significantly reduced.

Trade receivables consisted of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Groups operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, the Group had available unutilized overdraft and short-term bank loan facilities of approximately $3,348,452 thousand, $2,972,600 thousand, $2,854,175 thousand and $2,401,000 thousand, respectively.

a) Liquidity and interest risk rate tables

The following table details the Groups remaining contractual maturity for its non-derivative financial liabilities with agreed-upon repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group will be required to pay. The tables included both interest and principal cash flows.

For the liabilities with floating interests, the undiscounted amounts were derived from the interest rate curve at the end of the reporting period.

September 30, 2013

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year - 5 Years
Nonderivative financial liabilities					
Noninterest bearing		$ 2,908,146	$ 1,389,543	$ 901,996	$ -
Variable interest rate 1.82%-1.85% liabilities	1.82%-1.85%	113,444	61	273	25,824
		$ 3,021,590	$ 1,389,604	$ 902,269	$ 25,824

December 31, 2012

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year - 5 Years
Nonderivative financial liabilities					
Noninterest bearing		$ 1,309,170	$ 2,330,508	$ 760,009	$ 184,660
Variable interest rate liabilities	1.30%-1.32%	155	476	147,709	-
Fixed interest rate liabilities	1.47%-2.29%	5,012	100	326	2,894
		$ 1,314,337	$ 2,331,084	$ 908,044	$ 187,554

September 30, 2012

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year - 5 Years
Nonderivative financial liabilities					
Noninterest bearing		$ 2,858,579	$ 1,534,882	$ 387,249	$ 317,335
Variable interest rate liabilities	1.30%-1.32%	157	480	149,013	-
Fixed interest rate liabilities	2.29%	37	74	335	2,949
		$ 2,858,773	$ 1,535,436	$ 536,597	$ 320,284

January 1, 2012

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Over 1 Year - 5 Years
Nonderivative financial liabilities					
Noninterest bearing		$ 1,024,408	$ 1,967,139	$ 452,804	$ 760,331
Variable interest rate liabilities	1.30%-1.32%	162	496	152,752	-
Fixed interest rate liabilities	1.47%-2.29%	46	16,474	5,407	12,613
		$ 1,024,616	$ 1,984,109	$ 610,963	$ 772,944

The amounts included above for variable interest rate instruments for both nonderivative financial assets and liabilities were subject to change if variable interest rates at the end of the reporting period differed from estimates of interest rates.

The following tables detailed the Group's liquidity analysis of its derivative financial instruments. The tables were based on the undiscounted contractual net cash inflows and outflows on derivative instruments that were settled on a net basis.

September 30, 2013

	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Total
Gross settled				
Foreign exchange forward contracts				
Inflows	$ 390,294	$ 632,758	$ 383,893	$ 1,406,945
Outflows	390,784	634,075	386,051	1,410,910
	$ (490)	$ (1,317)	$ (2,158)	$ (3,965)

December 31, 2012

	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Total
Gross settled				
Foreign exchange forward contracts				
Inflows	$ 368,157	$ 1,148,748	$ 333,113	$ 1,850,018
Outflows	363,794	1,144,847	334,118	1,842,759
	$ 4,363	$ 3,901	$ (1,005)	$ 7,259

September 30, 2012

Gross settled	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Total
Foreign exchange forward contracts				
Inflows	$ 327,965	$ 619,392	$ 645,438	$ 1,592,795
Outflows	326,072	612,794	641,773	1,580,639
	$ 1,893	$ 6,598	$ 3,665	$ 12,156

January 1, 2012

Gross settled	On Demand or Less than 1 Month	1-3 Months	Over 3 Months to 1 Year	Total
Foreign exchange forward contracts				
Inflows	$ 450,421	$ 941,229	$ 772,797	$ 2,164,447
Outflows	459,758	943,771	757,230	2,160,759
	$ (9,337)	$ (2,542)	$ 15,567	$ 3,688

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and related parties are disclosed below.

a. Trading transactions

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Sales of goods				
Associate	$ 7,598	$ 18,132	$ 57,825	$ 31,021
Purchases of goods				
Associate	$ 5,955	$ 6,209	$ 14,441	$ 16,283
Operating expenses				
Associate	$ 2,213	$ 2,213	$ 6,639	$ 6,639
Nonoperating income and profit				
Associate	$ 750	$ 979	$ 1,500	$ 2,822

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Trade receivables from related parties				
Associate	$ 6,180	$ 3,377	$ 13,058	$ 3,464
Trade payables to related parties				
Associate	$ 2,546	$ 1,286	$ 1,972	$ 1,284

Lease contracts formed between the Company and its subsidiaries were based on market rental prices and stipulated normal payment terms. There was no significant differences in the sales price and payment terms given to related parties and unrelated parties. When payment terms with related parties were not stipulated, they were decided on the basis of mutual agreement.

No guarantees were given for trade payables to related parties. The outstanding of trade receivables from related parties are unsecured. No expense was recognized for the nine months ended September 30, 2013 and 2012 for allowance for impaired trade receivables with respect to the amounts owed by related parties.

b. Compensation of key management personnel

The remuneration of directors and other members of key management personnel for the three and nine months ended September 30, 2013 and 2012 were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Short-term benefits	$ 16,979	$ 16,072	$ 36,367	$ 36,965
Post-employment benefits	28	34	84	102
Share-based payments	754	1,722	2,460	5,541
	$ 17,761	$ 17,828	$ 38,911	$ 42,608

The remuneration of directors and key executives was determined by the remuneration committee with regards to the performance of individuals and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

a. As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, AdvanPOS Technology Co., Ltd. and Cermate Technologies Inc., an indirect subsidiary of the Company, had pledged assets for letters of credit and long-term bank borrowings, as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Fixed assets - land	$ 109,686	$ 13,047	$ 13,047	$ 13,047
Fixed assets - buildings	84,062	15,206	15,415	16,044
	$ 193,748	$ 28,253	$ 28,462	$ 29,091

b. As of September 30, 2013 and 2012, the Company was required by its supplier to provide a bankers' letter of guarantee. The Company offered a time deposit of $109,110 thousand and $93, 150 thousand, respectively (recorded under other current assets) as collateral.

c. As of September 30, 2012, Shanghai Advantech Intelligent Services Co., Ltd. (AiSC), an indirect subsidiary of the Company, was required by its supplier to provide a bankers' letter of guarantee. AiSC offered time deposit of $4,660 thousand (recorded under other current assets) as collateral.

d. As of September 30, 2013, AdvanPOS Technology Co., Ltd. offered a time deposit of $200 thousand as collateral for long-term borrowing.

33. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

a. As of September 30, 2013 and 2012, the guarantee notes issued by Cermate Technologies Inc. for its bank borrowings had amounted to $40,000 thousand.

b. As of September 30, 2013 and 2012, the guarantee notes issued by Netstar Technology Co., Ltd. for its bank loan had amounted to $1,478 thousand and $48,000 thousand, respectively.

34. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant financial assets and liabilities denominated in foreign currencies were as follows:

September 30, 2013

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 87,451	29.57 (USD:NTD)	$ 2,585,932
RMB	290,144	4.809 (RMB:USD)	1,395,301
RMB	233,661	0.163 (RMB:NTD)	1,123,660
EUR	19,735	39.92 (EUR:NTD)	787,824
			$ 5,892,717
Financial liabilities			
Monetary items			
USD	57,281	29.57 (USD:NTD)	$ 1,693,785
USD	36,694	6.149 (USD:RMB)	1,085,055
RMB	225,358	4.809 (RMB:NTD)	1,083,748
			$ 3,862,588

December 31, 2012

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 19,118	6.232 (USD:RMB)	$ 555,189
USD	134,459	29.04 (USD:NTD)	3,904,686
EUR	19,707	38.49 (EUR:NTD)	758,525
			$ 5,218,400
Financial liabilities			
Monetary items			
USD	96,975	29.04 (USD:NTD)	$ 2,816,146
USD	68,721	6.232 (USD:RMB)	1,995,725
			$ 4,811,871

September 30, 2012

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 150,045	29.295 (USD:NTD)	$ 4,395,581
USD	23,527	6.286 (USD:RMB)	689,158
EUR	22,688	37.89 (EUR:NTD)	859,661
			$ 5,944,400
Financial liabilities			
Monetary items			
USD	124,933	29.295 (USD:NTD)	$ 3,659,911
USD	75,821	6.286 (USD:RMB)	2,220,993
			$ 5,880,904

January 1, 2012

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 14,262	6.30 (USD:RMB)	$ 431,924
USD	98,858	30.275 (USD:NTD)	2,992,926
EUR	20,896	39.18 (EUR:NTD)	818,687
			$ 4,243,537

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 76,786	30.275 (USD:NTD)	$ 2,324,708
USD	54,388	6.30 (USD:RMB)	1,647,096
			$ 3,971,804

(Concluded)

35. SEPARATELY DISCLOSED ITEMS

All significant intercompany transactions have been eliminated from consolidation.

a. Information on significant transactions and b. information on investees:

1) Lending funds to others. (Table 1)

2) Endorsement/guarantee provided. (Table 2)

3) Holding of securities at the end of the period. (Table 3)

4) Aggregate purchases or sales of the same securities reaching NT$100 million or 20 percent of paid-in capital or more. (Table 4)

5) Purchases or sales of goods from or to related parties reaching NT$100 million or 20 percent of paid-in capital or more. (Table 5)

6) Trade receivables from related parties reaching NT$100 million or 20 percent of paid-in capital or more. (Table 6)

7) Name, locations, and other information on investees. (Table 7)

8) Information on investments in mainland China. (Table 8)

9) Organization chart. (Table 9)

10) Transactions of financial instruments. (Note 7)

11) Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them. (Table 10)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gains or losses, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area. (Table 8)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:

   a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (Table 10)

   b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 10)

   c) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds. (Table 1)

36. SEGMENT INFORMATION

a. Segment information is provided to the Groups chief operating decision maker for allocating resources to the segments and assessing their performance. The information focuses on every type of products sold or services provided. The Groups segment information disclosed is as follows:

   1) Industrial automation services: Focus on services retaining to industrial automation;

   2) Embedded board and design-in services: Services involving embedded boards, systems and peripheral hardware and software;

   3) Intelligent services: Referring to integrated intelligent applications that can be used in various areas;

   4) Design and manufacturing services: Customized design and other services based on customers requirements;

   5) Global customer services: Global repair, technical support and warranty services.

b. Segment information

	For the Nine Months Ended September 30, 2013						
	Industrial Automation Services	**Embedded Boards and Design-in Services**	**Intelligent Services**	**Design and Manufacturing Services**	**Global Customer Services**	**Reconciliation and Elimination**	**Total**
Income							
From outside customers	$ 3,469,369	$ 8,623,693	$ 1,780,172	$ 5,570,189	$ 2,644,051	$ 300,107	$ 22,387,581
Income from sales between segments	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	20,536	20,536
Income total	$ 3,469,369	$ 8,623,693	$ 1,780,172	$ 5,570,189	$ 2,644,051	$ 320,643	$ 22,408,117
Finance costs	$ -	$ -	$ -	$ -	$ -	$ 6,319	$ 6,319
Depreciation and amortization	-	-	-	-	-	345,351	345,351
Income from equity-method investments	-	-	-	-	-	59,246	59,246
Segment profit (loss)	$ 860,465	$ 1,679,217	$ 110,795	$ 1,106,801	$ 496,595	$ (352,576)	$ 3,901,297

(Continued)

	For the Nine Months Ended September 30, 2013						
	Industrial Automation Services	**Embedded Boards and Design-in Services**	**Intelligent Services**	**Design and Manufacturing Services**	**Global Customer Services**	**Reconciliation and Elimination**	**Total**
Investments accounted for by the equity method	$ -	$ -	$ -	$ -	$ -	$ 387,950	$ 387,950
Capital expense from noncurrent assets	-	-	-	-	-	1,824,723	1,824,723
Segment assets	$ -	$ -	$ -	$ -	$ -	$ 25,210,679	$ 25,210,679

(Concluded)

	For the Nine Months Ended September 30, 2012						
	Industrial Automation Services	**Embedded Boards and Design-in Services**	**Intelligent Services**	**Design and Manufacturing Services**	**Global Customer Services**	**Reconciliation and Elimination**	**Total**
Income							
From outside customers	$ 3,098,379	$ 7,586,148	$ 1,824,254	$ 5,325,378	$ 2,453,469	$ 251,744	$ 20,539,372
Income from sales between segments	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	14,710	14,710
Income total	$ 3,098,379	$ 7,586,148	$ 1,824,254	$ 5,325,378	$ 2,453,469	$ 266,454	$ 20,554,082
Finance costs	$ -	$ -	$ -	$ -	$ -	$ 14,886	$ 14,886
Depreciation and amortization	-	-	-	-	-	332,953	332,953
Income from equity-method investments	-	-	-	-	-	35,645	35,645
Segment profit (loss)	$ 796,084	$ 1,543,045	$ 91,382	$ 763,785	$ 235,809	$ (236,759)	$ 3,193,346
Investments accounted for by the equity method	$ -	$ -	$ -	$ -	$ -	$ 361,722	$ 361,722
Capital expense from noncurrent assets	-	-	-	-	-	576,124	576,124
Segment assets	$ -	$ -	$ -	$ -	$ -	$ 23,577,655	$ 23,577,655

The income above was generated from transactions with external customers. There were no sales between segments in the nine months ended September 30, 2013 and 2012.

Segment income refers to the income generated by each segment, excluding allocable central management costs and remuneration to directors and supervisors, share of the profit (loss) of associates and joint ventures, gain (loss) on disposal of associates, rental income, interest income, gain (loss) on disposal of properties, plant and equipment, gain (loss) on disposal of investments, foreign exchange net (gain) loss, valuation gain (loss) on financial instruments, finance costs and income tax expense. This segment income is the measure reported to the operation's decision maker and is used in the allocation of resources among segments and performance evaluation.

37. FIRST-TIME ADOPTION OF IFRSs

a. Basis of the preparation for financial information under IFRSs

The Group's consolidated financial statements for the nine months ended September 30, 2013 not only follows the significant accounting policies stated in Note 4 but also applies the requirements under IFRS 1 "First-time Adoption of IFRS" as the basis for the preparation.

b. Impact on the transition to IFRSs

Except for the following additional information on the impact on the transition to IFRSs, refer to Note 36 to the consolidated financial statements as of March 31, 2013 for the impact on the Group's consolidated balance sheets and consolidated statements of comprehensive income after transition to IFRSs.

1) Reconciliation of the consolidated balance sheet as of September 30, 2012

ROC GAAP		Effect of Transition to IFRSs		IFRSs		
Item	Amount	Recognition and Measurement Difference	Presentation Difference	Amount	Item	Note
Current assets						
Cash and cash equivalents	$ 2,523,280	$ -	$ (335,117)	$ 2,188,163	Cash and cash equivalents	g)
Financial assets at fair value through profit or loss	18,757	-	-	18,757	Financial assets at fair value through profit or loss	
Available-for-sale financial assets - current	906,130	-	-	906,130	Available-for-sale financial assets - current	
Notes receivable	599,095	-	-	599,095	Notes receivable	
Accounts receivables (total)	4,300,783	-	-	4,300,783	Trade receivables	
Provision for doubtful accounts	(80,565)	-	-	(80,565)	Allowance for impairment loss	
Accounts receivables from related parties (net)	13,058	-	-	13,058	Trade receivables from related parties	
Other receivable	64,593	-	-	64,593	Other receivable	
Inventories, net	4,459,113	-	-	4,459,113	Inventories	
Deferred income tax assets - current	66,252	-	(66,252)	-	-	a)
-	-	-	335,117	335,117	Debt investments with no active market - current	g)
Prepaid expenses and other current assets	367,446	-	5,950	373,396	Other current assets	h) and i)
Total current assets	13,237,942	-	(60,302)	13,177,640	Total current assets	
Long-term investments						
Investments accounted for using the equity method	369,584	(7,815)	(47)	361,722	Investments accounted for using the equity method	n) and p)
Available-for-sale financial assets	2,448,186	-	33,257	2,481,443	Available-for-sale financial assets	l)
Financial assets measured at cost	33,257	-	(33,257)	-	-	l)
Total long-term investments	2,851,027	(7,815)	(47)	2,843,165		
Property, plant and equipment					Property, plant and equipment	
Cost	8,034,918	6,826	141,200	8,182,944	Cost	h), j) and m)
Minus: Accumulated depreciation	(2,135,888)	(1,302)	(69,061)	(2,206,251)	Accumulated depreciation	h), j) and m)
Construction in progress and prepayments for equipment	291,581	-	(8,114)	283,467	Construction in progress	k)
Properties, net	6,190,611	5,524	64,025	6,260,160	Property, plant and equipment	
Total intangible assets	979,637	(12,862)	34,909	1,001,684	Intangible assets	e), h), i) and q)
Other assets						
Assets leased to others, net	17,786	-	(17,786)	-		m)
Deferred income tax assets - noncurrent	-	-	149,531	149,531	Deferred income tax assets - noncurrent	a) and b)
Refundable deposits	39,685	-	-	39,685	Refundable deposits	
Deferred expenses	192,888	-	(192,888)	-	-	h)
Long-term prepayments	-	-	93,695	93,695	Long-term prepayments	i)
Prepayments for equipment	-	-	12,095	12,095	Prepayments for equipment	h) and k)
Total other assets	250,359	-	44,647	295,006		
Total assets	$ 23,509,576	$ (15,153)	$ 83,232	$ 23,577,655	Total assets	

(Continued)

ROC GAAP Item	ROC GAAP Amount	Effect of Transition to IFRSs: Recognition and Measurement Difference	Effect of Transition to IFRSs: Presentation Difference	IFRSs Amount	IFRSs Item	Note
Current liabilities						
Short-term bank loans	$ 147,745	$ -	$ -	$ 147,745	Short-term borrowings	
Financial liabilities at fair value through profit or loss	6,601	-	-	6,601	Financial liabilities at fair value through profit or loss	
Accounts payable	2,753,935	-	-	2,753,935	Trade payables	
Income tax payable	261,937	-	-	261,937	Current tax liabilities	
Accrued expenses	1,993,046	36,008	-	2,029,054	Accrued expenses	c)
Short-term warranty provision	122,781	-	-	122,781	Short-term warranty provision	
Advance receipts and other current liabilities	533,403	-	-	533,403	Advance receipts and other current liabilities	
Current portion of long-term bank loans	584	-	-	584	Current portion of long-term bank loans	
Total current liabilities	5,820,032	36,008	-	5,856,040	Total current liabilities	
Noncurrent liabilities						
Accrued convertible bonds	317,335	-	-	317,335	Bonds payable	
Long-term bank loans	2,437	-	-	2,437	Long-term borrowings	
Total long-term liabilities	319,772	-	-	319,772		
Other liabilities						
Accrued pension cost	124,801	58,486	-	183,287	Accrued pension liabilities	d) and e)
Guarantee deposits	356	-	-	356	Guarantee deposits	
Deferred credits	47	-	(47)	-	Unearned revenue	n)
Deferred income tax liabilities - noncurrent	469,595	-	83,279	552,874	Deferred tax liabilities - noncurrent	b)
Total other liabilities	594,799	58,486	83,232	736,517		
Total liabilities	6,734,603	94,494	83,232	6,912,329	Total liabilities	
Share capital						
Capital stock	5,608,937	-	-	5,608,937	Ordinary shares	
Capital surplus						
Additional paid-in capital from share issuance in excess of par value	4,361,870	-	-	4,361,870	Additional paid-in capital from share issuance in excess of par value	
From long-term equity investments	56,300	(56,300)	-	-	-	f)
From stock options	160,910	-	-	160,910	From stock options	
Total capital surplus	4,579,080	(56,300)	-	4,522,780	Total capital surplus	
Retained earnings	6,412,852	(54,722)	-	6,358,130	Retained earnings	c), d), e), f), j), p) and q)
Other						
Cumulative translation adjustments	(77,943)	-	-	(77,943)	Foreign currency translation reserve	
Unrealized gain on financial instruments	143,062	-	-	143,062	Unrealized gain from available-for-sale financial assets	
Net loss not recognized as pension cost	(2,121)	2,121	-	-	-	e)
Total other equity items	62,998	2,121	-	65,119	-	
Total shareholders' equity of the Company	16,663,867	(108,901)	-	16,554,966	Total equity attributable to owners of the Company	
Minority interests	111,106	(746)	-	110,360	Noncontrolling interests	c) and d)
Total shareholders' equity	16,774,973	(109,647)	-	16,665,326	Total equity	
Total liabilities and shareholders' equity	$ 23,509,576	$ (15,153)	$ 83,232	$ 23,577,655	Total liabilities and equity	

2) Reconciliation of the consolidated statement of comprehensive income for the nine months ended September 30, 2012

ROC GAAP		Effect of Transition to IFRSs		IFRSs		
Item	Amount	Recognition and Measurement Difference	Presentation Difference	Amount	Item	Note
Net sales	$ 20,570,386	$ -	$ (31,014)	$ 20,539,372	Operating revenue, net	n)
Cost of sales	12,375,307	1,718	9,628	12,386,653	Operating costs	c), d), n) and o)
Gross profit	8,195,079	(1,718)	(40,642)	8,152,719	Gross profit	
Operating expenses						
Marketing	2,201,992	(901)	(40,642)	2,160,449	Selling and marketing expenses	c), d) and o)
Administrative	1,286,245	109	557	1,286,911	General and administrative expenses	c), d), j) and m)
Research and development	1,755,110	7,386	-	1,762,496	Research and development expenses	c) and d)
Total	5,243,347	6,594	(40,085)	5,209,856		
Operating income	2,951,732	(8,312)	(557)	2,942,863	Profit from operations	
Nonoperating income and gains						
Dividend Revenue	97,927	-	-	97,927	Dividend Revenue	
Investment income recognized under the equity method, net	35,487	158	-	35,645	Share of other comprehensive income of associates and joint ventures	p)
Gain on disposal of properties, net	30,274	-	-	30,274	Gain on disposal of property, plant and equipment	
Interest income	14,710	-	-	14,710	Interest income	
Gain on disposal of investments, net	32,834	-	-	32,834	Gain on disposal of investments, net	
Rental income	15,981	-	-	15,981	Rental income	
Foreign exchange gain, net	-	-	-	-	Foreign exchange gain, net	
Valuation gain on financial instruments, net	95,451	-	-	95,451	Valuation gain on financial instruments, measured at fair value	
Other income	74,958	-	-	74,958	Other income	
Total operating expenses	397,622	158	-	397,780		
Nonoperating expenses and losses						
Interest expense	14,886	-	-	14,886	Finance costs	
Valuation loss on financial instrument	39,996	-	-	39,996	Valuation loss on financial instruments, measured at fair value	
Foreign exchange loss, net	78,866	-	-	78,866	Foreign exchange loss, net	
Other expenses	14,106	-	(557)	13,549	Other losses	m)
Total operating expenses	147,854	-	(557)	147,297		
Income before income tax	3,201,500	(8,154)	-	3,193,346	Profit before income tax	
Income tax expense	548,397	-	-	548,397	Income tax expense	
Net income	$ 2,653,103	$ (8,154)	$ -	2,644,949	Net profit for the period	
				(202,365)	Exchange differences on translating foreign operations	
				791,654	Unrealized gain or loss on available-for-sale financial assets	
				(1,955)	Share of other comprehensive income of associates and joint ventures	
				15,961	Income tax relating to components of other comprehensive income	
				603,295	Other comprehensive income for the period, net of income tax	
				$ 3,248,244	Total comprehensive income for the period	

3) Reconciliation of the consolidated statement of comprehensive income for the three months ended September 30, 2012

ROC GAAP Item	ROC GAAP Amount	Effect of Transition to IFRSs: Recognition and Measurement Difference	Effect of Transition to IFRSs: Presentation Difference	IFRSs Amount	IFRSs Item	Note
Net sales	$ 7,059,704	$ -	$ (18,129)	$ 7,041,575	Operating revenues, net	n)
Operating costs	4,257,521	2,720	(12,294)	4,247,947	Operating costs	c), d), n) and o)
Gross profit	2,802,183	(2,720)	(5,835)	2,793,628	Gross profit	
Operating expenses						
Marketing	765,349	1,668	(5,835)	761,182	Selling and marketing expenses	c), d) and o)
Administration	445,056	1,199	186	446,441	Administration expenses	c), d), j) and m)
Research and development	609,611	7,084	-	616,695	Research and development expenses	c) and d)
Total	1,820,016	9,951	(5,649)	1,824,318		
Operating income	982,167	(12,671)	(186)	969,310	Profit from operations	
Nonoperating income and gains						
Dividend revenue	97,927	-	-	97,927	Dividend revenue	
Investment income recognized under the equity method, net	14,164	53	-	14,217	Share of other comprehensive income of associates and joint ventures	p)
Interest income	4,413	-	-	4,413	Interest income	
Gain on disposal of investments, net	3,169	-	-	3,169	Gain on disposal of investments, net	
Rental revenue	2,356	-	-	2,356	Rental revenue	
Valuation gain on financial instruments, net	26,690	-	-	26,690	Valuation loss on financial instruments, measured at fair value	
Other income	28,709	-	-	28,709	Other income	
Total nonoperating income and gains	177,428	53	-	177,481		
Nonoperating expenses and losses						
Loss on disposal of properties	1,285	-	-	1,285	Loss on disposal of properties	
Interest expense	3,814	-	-	3,814	Finance costs	
Valuation loss on financial instruments	11,148	-	-	11,148	Valuation loss on financial instruments, measured at fair value	
Foreign exchange loss, net	9,751	-	-	9,751	Foreign exchange loss, net	
Other expenses	5,482	-	(186)	5,296	Other losses	m)
Total nonoperating expenses	31,480	-	(186)	31,294		
Income before income tax	1,128,115	(12,618)	-	1,115,497	Profit before income tax	
Income tax expense	202,590	-	-	202,590	Income tax expense	
Net income	$ 925,525	$ (12,618)	$ -	912,907	Net profit for the period	
				(62,789)	Exchange differences on translating foreign operations	
				277,912	Unrealized gain or loss on available-for-sale financial assets	
				(244)	Share of other comprehensive income of associates and joint ventures	
				10,562	Income tax relating to components of other comprehensive income (expense)	
				225,441	Other comprehensive income for the period, net of income tax	
				$ 1,138,348	Total comprehensive income for period	

4) Exemptions from IFRS 1

The exemptions adopted by the Group on January 1, 2012 were the same as those indicated in the consolidated financial statements as of March 31, 2013. Refer to the Note 36 of the consolidated financial statements as of March 31, 2013 for detail information.

5) Explanations of significant reconciling items in the transition to IFRSs

Material differences between the accounting policies under ROC GAAP and the accounting policies adopted under IFRSs were as follows:

a) Classification of deferred tax assets/liabilities and valuation allowance

Under ROC GAAP, valuation allowances are provided to the extent that it is more likely than not that deferred income tax assets will not be realized. Under IFRSs, deferred tax assets are recognized to the extent that it is highly probable that taxable profits will be available against which the deductible temporary differences can be used; thus, the valuation allowance account will no longer be used.

In addition, under ROC GAAP, deferred tax assets and liabilities are classified as current or noncurrent in accordance with the classification of its related assets or liabilities. However, if a deferred income tax assets or liabilities do not relate to assets or liabilities in the financial statements, it is classified as either current or noncurrent based on the expected length of time before its reversal. Under IFRSs, deferred tax assets and liabilities are classified as noncurrent assets or liabilities.

As of September 30, 2012, the amount reclassified from deferred income tax assets to noncurrent assets was $66,252 thousand.

b) Offsetting deferred tax assets and liabilities

Under ROC GAAP, the Group's deferred tax assets and liabilities should only be shown at their net value with current deferred tax assets offsetting by current deferred tax liabilities. The same applies to noncurrent deferred tax assets and liabilities. Under IFRS, businesses have a legally enforceable right to offset income tax assets and liabilities of the current period. In addition, when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority, deferred tax assets should be offset by deferred tax liabilities.

As of September 30, 2012, deferred tax assets and deferred tax liabilities were adjusted both for an increase of $83,279 thousand.

c) Employee benefits - short-term cumulative compensated absences

Under ROC GAAP, there are no specific rules pertaining to the recognition of short term absences, being usually recognized when the cost has been incurred. However, under IFRSs, when the employees render services that increase their entitlement to future compensated absences, an entity should recognize the expected cost of employee benefits at the end of reporting periods.

As of September 30, 2012, the Group's reclassification adjustment of short-term cumulative compensated absences resulted in increase of accrued expenses of $36,008 thousand. Also, as of September 30, 2012, retained earnings were adjusted for a decrease of $24,441 thousand. Noncontrolling interests was adjusted for a decrease of $29 thousand. Salary expense were adjusted for increase of $11,539 thousand for the nine months ended September 30, 2012 and $13,742 thousand for the three months ended September 30, 2012.

d) Employee benefits - actuarial gains and losses on defined benefit plans

Under ROC GAAP, the recognition of pension cost is determined by actuarial valuations accounted for under the corridor approach, which results in the deferral of gains and losses. The corridor approach requires the amortization of actuarial gains and losses in pension costs over the expected average remaining service years of the participating employees. Under IFRSs, IAS No. 19 - "Employee Benefits," all actuarial gains and losses are to be immediately recognized through other comprehensive income in the period in which they occur. A subsequent reclassification of these actuarial gains and losses to earnings is not permitted.

As of September 30, 2012, the Group had elected to recognize all cumulative actuarial gains and losses on employee benefits in retained earnings in accordance with IAS No. 19 "Employee Benefits," and on electing to adopt an exemption under IFRS 1 "First-time Adoption of International Financial Reporting Standards," adjusted accrued pension liabilities for an increase of $68,301 thousand, retained earnings and noncontrolling interests for decreases of $67,572 thousand and $729 thousand, respectively. In addition, for the nine months ended September 30, 2012, decreases in pension costs were adjusted for a decrease of $2,604 thousand and noncontrolling interests were adjusted for an increase of $12 thousand, respectively.

e) Employee benefits - minimum pension liability

Under ROC GAAP, the minimal required standard is the minimum pension liability to be recognized on the balance sheet. If the accrued pension liability is lower than that standard, the shortfall is recognized by crediting accrued pension liabilities.

Under IFRSs, there is no requirement to recognize pension liabilities at a certain minimum.

As of September 30, 2012, the Group's accrued pension liabilities, deferred pension cost and retained earnings were adjusted for decreases of $7,211 thousand, $6,763 thousand and $1,671 thousand respectively, as a result of these decreases, net loss not recognized as pension costs was adjusted for an increase of $2,121 thousand.

f) The Company's accounting treatment for capital surplus, long-term equity investment adjustment-changes in carrying values of equity-method investments due to disproportional subscriptions to additionally issued shares of investees.

Under ROC GAAP, the difference in the Company's holding percentage and its interest in the investee's net assets, caused by a disproportionate purchase of new shares issued by the investee, will be adjusted to capital surplus-long term equity investments and long-term equity investment accounts.

Under IFRSs, the investing company records such a difference as an adjustment to long-term investments, with the corresponding amount charged or credited to capital surplus. If the investing company subscribes for additional investee's shares at a percentage different from its existing ownership percentage, which results in a loss in the investing company's holding percentage in the investee, the loss is recognized in other comprehensive income and reclassified proportionally to losses under related parties. This accounting method is based on the same foundation as the disposal of assets and liabilities of related parties.

Any change in the Group's equity interests that does not result in the loss of controlling influence over its subsidiaries will be deemed as equity transactions. In addition, based on the "Adoption of IFRS-Q&A" issued by the Taiwan Stock Exchange, capital surplus items not covered by the IFRS, the ROC Company law and the legal interpretations of the Ministry of Economic Affairs (MOEA) will be adjusted at the date of transition to IFRSs.

As of September 30, 2012, after making the adjustments as described above, the Group's "capital surplus - long-term equity investments" decreased by $56,300 thousand and retained earnings were adjusted for an increase of $56,300 thousand.

g) Time deposits with maturities of more than three months

Under ROC GAAP, "cash and cash equivalents" comprise of cash on hand, demand deposits, check deposits, time deposits that are cancellable and without the loss of principal and readily salable negotiable certificates without the loss of principal. However, under IFRSs, an investment normally qualifies as a cash equivalent only when it is readily convertible to a known amount of cash and is subject to an insignificant risk of changes in value. Thus, an investment normally meets the definition of a cash equivalent when it has a maturity of three months or less from the date of acquisition. After IFRSs adoption, time deposits held by the Group for investment purposes with maturities more than three months were reclassified to bond investments with no active market.

As of September 30, 2012, the amount reclassified to debt investments with no active market was $335,117 thousand.

h) Classification of deferred expenses

Under ROC GAAP, deferred expenses are recorded under other assets. Under IFRSs, the Group reclassified deferred expenses according to their nature to fixed assets, intangible assets, prepaid expenses, and prepayment for equipment.

As of September 30, 2012, the Group reclassified deferred expense to fixed assets, intangible assets, prepaid expenses, and prepayment for equipment amounting to $54,353 thousand, $130,990 thousand, $3,564 thousand, and $3,981 thousand, respectively.

i) Superficies

Under ROC GAAP, superficies are recorded under intangible assets. Under IFRSs, superficies are recorded under prepayment for leases in accordance with IAS 17 - "Leases."

As of September 30, 2012, the Group reclassified to prepayment for leases - current (included in other current assets) and prepayment for leases - noncurrent (included in long-term prepayments) amounting to $2,386 thousand and $93,695 thousand, respectively.

j) Capitalization of superficies

Under ROC GAAP, amortization of superficies during the period of factory construction should be recognized under current year's expense. Under IFRSs, the amortization expense during the construction period should be capitalized in which the asset is expected to contribute to the Group's revenue-generating activities.

As of September 30, 2012, based on the accounting treatment for the capitalization of superficies, fixed assets were adjusted for an increase of $5,524 thousand and retained earnings were adjusted for an increase of $4,888 thousand. Depreciation expenses was adjusted for an increase of $178 thousand and the amortization expense was adjusted for a decrease of $813 thousand for the nine months ended September 30, 2012. Depreciation expenses were adjusted for an increase of $59 thousand and the amortization expense were adjusted for a decrease of $266 thousand for the three months ended September 30, 2012.

k) Classification of prepayments for equipment

Under ROC GAAP, prepayments for equipment are usually recorded under fixed assets. Under IFRSs, prepayments for equipment are usually recorded under prepayments or long-term prepayments.

As of September 30, 2012, based on the nature of the prepayments for equipment, the Group reclassified from prepayments for equipment (under fixed assets) to prepayments for equipment (under noncurrent assets) amounting to $8,114 thousand.

l) Financial assets carried at cost

Under Regulations Governing the Preparation of Financial Reports by Securities Issuers, unlisted shares or shares not traded in the Emerging Stock Market which are held by investors with no significant influence over their investees should be recognized as financial assets carried at cost. Under IFRSs, unlisted equity instruments are classified under financial assets held for sale and measured at fair value.

As of September 30, 2012, the Group reclassified financial assets carried at cost to available for sale financial assets which amounted to $33,257 thousand.

m) Classification of assets leased to others

Under IFRSs, assets leased to others originally classified under other assets, are reclassified to property, plant and equipment according to their nature. Based on IAS 40 - “Investment Property,” investment properties are defined us properties held by the entity to earn rental revenue or in the anticipation of a capital gain. The subsidiaries’ leased assets mainly consist of factories leased to suppliers. As these factories cannot be sold separately and comprise of an insignificant portion of the plant, they are not to be considered as investment properly.

As of September 30, 2012, the amount reclassified from leased assets to property, plant and equipment was $17,786 thousand. For the nine months ended September 30, 2012 and three months ended September 30, 2012, depreciation expenses - assets leased to others amounting to $557 thousand and $186 thousand, respectively, had been reclassified from nonoperating expenses and losses - others to operating expenses - administration.

n) Investments in associates - unrealized profits from downstream transactions

Under ROC GAAP, unrealized profits from downstream transactions with non-majority-owned equity-method investees are deferred proportionately and recognized as deferred credits. Under IFRSs, unrealized profits from downstream transactions are recorded under investments in associates.

As of September 30, 2012, the Group reclassified deferred credits of $47 thousand, to investments accounted for by the equity method.

For the nine months ended September 30, 2012 and three months ended September 30, 2012, the Group’s unrealized gross profit and loss on downstream transactions were adjusted for decreases in operating revenue and operating costs amounting to $31,014 thousand and $18,129 thousand, respectively.

o) Reclassification of line items in the consolidated statement of comprehensive income

Under the IFRSs, based on the nature of operating transactions, the Group reclassified RMA (return merchandise authorization) in warranty cost amounting to $40,642 thousand for the nine months ended September 30, 2012 and $5,835 thousand for the three months ended September 30, 2012 to cost of goods sold.

p) Investments in associates - adjustments

The Group’s investments in associates that are accounted for by the equity method are analyzed and reconciled accordingly after the adoption of IFRS. The main reconciliation items include employee benefits and short-term cumulative compensated absences.

As of September 30, 2012, the adjustment of the Group’s investment in associates accounted for by the equity method led to decreases of $7,973 thousand in retained earnings and $7,815 thousand in investments accounted for by the equity method.

In addition, the adjustment of the Group’s investments in associates by the equity method led to an increase of $158 thousand investment gains for the nine months ended September 30, 2012 and $53 thousand for the three months ended September 30, 2012, respectively.

q) Changes of equity in subsidiaries’ without loss of control by the Company

Under ROC GAAP, investment costs are analyzed on the date of acquisition, with the difference between the price of purchasing an investment and the fair value of the net assets obtained recorded as goodwill. Goodwill is not amortized. Under IFRSs, any changes in the Company’s equity in its subsidiaries without the Company’s losing control over its subsidiaries are recorded as equity transactions.

As of September 30, 2012, retained earnings - the difference in acquisition price and the fair value of net assets - and goodwill were adjusted for decreases of $6,099 thousand and $6,099 thousand, respectively.

ADVANTECH CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Financier	Counterparty	Financial Statement Account	Credit Line (Note D)		Actual Disbursement		Interest Rate	Nature of Financing	Transaction Amount	Financing Reasons	Allowance for Impairment Loss	Collateral		Maximum Amount of Financing to Individual Counterparty	Maximum Amount of Financing that Can be Provided by the Financier
				Maximum Balance for the Period	Ending Balance	Maximum Balance for the Period	Ending Balance						Item	Value		
1	AEUH	AEU	Accounts receivables - related parties	$ 30,030 (EUR 750 thousand)	$ 29,940 (EUR 750 thousand)	$ 30,030 (EUR 750 thousand)	$ 29,940 (EUR 750 thousand)	4%	Short-term financing	$ -	Financing need	$ -	None	None	$ 1,784,338 (Note B)	$ 3,568,675 (Note B)
2	ANA	AKMC	Accounts receivables - related parties	144,000 (US$ 5,600 thousand)	136,022 (US$ 4,600 thousand)	144,000 (US$ 5,600 thousand)	136,022 (US$ 4,600 thousand)	2%	Short-term financing	-	Financing need	-	None	None	1,784,338 (Note B)	3,568,675 (Note B)
3	AiSC	ACN	Accounts receivables - related parties	241,105 (RMB 49,559 thousand)	-	241,105 (RMB 49,559 thousand)	-	2%	Short-term financing	-	Financing need	-	None	None	250,068 (Note C)	250,068 (Note C)
4.	Better Auto Holdings Limited	Dongguan Pou Yuen Digital Technology Co., Ltd.	Accounts receivables - related parties	21,737 (RMB 4,520 thousand)	21,737 (RMB 4,520 thousand)	21,737 (RMB 4,520 thousand)	21,737 (RMB 4,520 thousand)	-	Short-term financing	-	Financing need	-	None	None	1,784,338 (Note B)	3,568,675 (Note B)
		Dongguan Pou Yuen Digital Technology Co., Ltd.	Accounts receivables - related parties	14,785 (US$ 500 thousand)	14,785 (US$ 500 thousand)	14,785 (US$ 500 thousand)	14,785 (US$ 500 thousand)	-	Short-term financing	-	Financing need	-	None	None	1,784,338 (Note B)	3,568,675 (Note B)

Note A: The exchange rates as of September 30, 2013 were EUR1.00=NT$39.92, US$1.00=NT$29.57 and RMB1.00=NT$4.809.

Note B: The maximum amounts of financing to individual counterparties which are not based in Taiwan that can be provided by the financier are 20% and 10% of the financier's net asset value, respectively.

Note C: As of September 30, 2013, since there were no financing needs among subsidiaries in Mainland China, the joint account was closed.

Note D: The maximum balance and ending balances for the credit lines were approved by the financiers' board of directors.

Note E: All intercompany gains and losses from investments have been eliminated from consolidation.

ADVANTECH CO., LTD. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars/Foreign Currency)

No.	Endorsement/Guarantee Provider	Counterparty		Limits on Each Counterparty's Endorsement/ Guarantee Amounts	Maximum Balance for the Year	Ending Balance	Value of Collaterals Property, Plant, and Equipment	Ratio of Accumulated Amount of Collateral to Net Equity of the Latest Financial Statements (%)	Maximum Collateral/ Guarantee Amounts Allowable
		Name	Nature of Relationship						
1	Netstar Technology Co., Ltd.	Advantech Intelligence Service (AiST)	Equity-method investee	$ 1,784,338 (10% of the Company's net asset value)	$ 470	$ 470	$ -	-	$ 5,353,013 (30% of the Company's net asset value)

ADVANTECH CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES AND LONG-TERM INVESTMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars/Foreign Currency)

Holding Company	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2013				Note
				Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value	
Advantech Co., Ltd. (the Company)	Stock							
	AAC (BVI)	Subsidiary	Investments accounted for using the equity method	29,623,834	$ 2,785,901	100.00	$ 2,785,901	Note A
	ATC	〃	〃	38,750,000	3,039,792	100.00	3,039,792	Note A
	Advansus Corp.	〃	〃	36,000,000	544,214	100.00	544,214	Note A
	Advantech Fund-A	〃	〃	90,000,000	1,028,604	100.00	1,028,604	Note A
	Axiomtek	Associate	〃	20,537,984	349,284	26.55	349,284	Note A
	AdvanPOS Technology Co., Ltd.	Subsidiary	〃	12,778,455	318,437	70.19	318,437	Note A
	Advantech-LNC Technology Co., Ltd.	〃	〃	49,985,001	726,567	99.97	726,567	Note A
	AEUH	〃	〃	9,572,024	839,668	100.00	839,668	Note A
	ASG	〃	〃	1,450,000	90,652	100.00	90,652	Note A
	AAU	〃	〃	500,204	53,018	100.00	53,018	Note A
	AJP	〃	〃	1,200	142,201	100.00	142,201	Note A
	AMY	〃	〃	2,000,000	35,306	100.00	35,306	Note A
	AKR	〃	〃	600,000	180,061	100.00	180,061	Note A
	ABR	〃	〃	971,055	38,415	43.28	38,415	Note A
	ACA	〃	〃	7,948,839	496,154	99.36	496,154	Note A
	AIN	〃	〃	999,999	(3,548)	99.99	(3,548)	Note A
	ASUSTek Computer Inc.	-	Available for sale financial assets - noncurrent	5,146,461	1,211,992	0.68	1,211,992	Notes B and D
	Pegatron Corp.	-	〃	8,055,570	339,945	0.35	339,945	Notes B and E
	Chunghwa Telecom Co., Ltd.	-	〃	1,243,636	117,772	0.02	117,772	Notes B and F
	Fund							
	Mega Diamond Money Market	-	Available for sale financial assets - current	38,024,080.81	464,514	-	464,514	Note C
Advantech Fund-A	Stock							
	Netstar Technology Co., Ltd.	Subsidiary	Investments accounted for using the equity method	23,870,422	316,713	95.48	316,713	Note A
	AiST	〃	〃	6,777,571	187,676	100.00	187,676	Note A
	Cermate Technologies Inc.	〃	〃	5,500,000	101,815	55.00	101,815	Note A
	Axiomtek	Associate	〃	1,287,000	32,043	1.66	32,043	Note A
	Chunghwa Telecom Co., Ltd.	-	Available for sale financial assets - current	494,952	46,872	0.006	46,872	Note B
	Aver Information Inc.	-	〃	698,500	16,450	0.71	16,450	Note B

(Continued)

Holding Company	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2013 Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value	Note
	Taiwan 50	-	〃	170,000	$ 9,707	-	$ 9,707	Note B
	Inotera Memories, Inc.	-	〃	300,000	4,950	0.005	4,950	Note B
	COBAN Research and Technologies, Inc.	-	Available for sale financial assets - noncurrent	600,000	33,257	6.85	33,257	-
	Fund							
	Eastspring Inv Well Pool Fund	-	Available for sale financial assets - current	15,122,439.50	200,666	-	200,666	Note C
	Fuh Hwa Money Market	-	〃	3,894,005.80	54,979	-	54,979	Note C
	Taishin 1699 Money Market	-	〃	1,826,691.03	24,098	-	24,098	Note C
Advansus Corp.	Fund							
	Taishin 1699 Money Market	-	Available for sale financial assets - current	8,798,677.24	116,075	-	116,075	Note C
ATC	Stock							
	ATC (HK)	Subsidiary	Investments accounted for using the equity method	41,650,001	2,162,093	100.00	2,162,093	Note A
ATC (HK)	Stock							
	AKMC	〃	〃	-	2,162,093	100.00	2,162,093	Note A
AAC (BVI)	Stock							
	ANA	〃	〃	10,952,606	1,546,792	100.00	1,546,792	Note A
	AAC (HK)	〃	〃	15,230,001	1,392,965	100.00	1,392,965	Note A
ANA	Stock							
	AMX	〃	〃	-	1,826	100.00	1,826	Note A
AAC (HK)	Stock							
	ACN	〃	〃	-	729,628	100.00	729,628	Note A
	AiSC	〃	〃	-	692,640	100.00	692,640	Note A
	AXA	〃	〃	-	(31,131)	100.00	(31,131)	Note A
ACN	Stock							
	Hangzhou Advantofine Automation Co., Ltd.	〃	〃	-	13,381	60.00	13,381	Note A
AEUH	Stock							
	AEU	〃	〃	8,609,658	775,809	100.00	775,809	Note A
	APL	〃	〃	6,350	44,773	100.00	44,773	Note A
AEU	Stock							
	A-DLoG	〃	〃	1	671,413	100.00	671,413	Note A
ASG	Stock							
	ATH	〃	〃	51,000	13,639	51.00	13,639	Note A
	AID	〃	〃	300,000	678	100.00	678	Note A

(Continued)

Holding Company	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2013				Note
				Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value	
Netstar Technology Co., Ltd.	Stock							
	Jan Hsiang Electronics Co., Ltd.	Associate	〃	655,500	$ 6,623	28.50	$ 6,623	Note A
	Fund							
	Mega Diamond Money Market	-	Available for sale financial assets - current	8,798,397.63	107,484	-	107,484	Note C
Cermate Technologies Inc.	Stock							
	Land Mark	Subsidiary	Investments accounted for using the equity method	972,284	59,271	100.00	59,271	Note A
	Fund							
	Eastspring Inv Well Pool Fund	-	Available for sale financial assets - current	1,131,711.30	15,017	-	15,017	Note C
AiST	Fund							
	Eastspring Inv Well Pool Fund	-	〃	4,872,283	64,652	-	64,652	Note C
Land Mark	Stock							
	Cermate (Shanghai)	Subsidiary	Investments accounted for using the equity method	-	25,786	100.00	25,786	Note A
	Cermate (Shenzhen)	〃	〃	-	15,615	90.00	15,615	Note A
ACA	Fund							
	Union Money Market	-	Available for sale financial assets - current	1,962,005.56	25,290	-	25,290	Note C
	Mega Diamond Money Market	-	〃	2,220,595.61	27,127	-	27,127	Note C
	Taishin 1699 Money Market	-	〃	19,721,090.58	260,166	-	260,166	Note C
Advantech-LNC Technology Co., Ltd.	Stock							
	Better Auto	Subsidiary	Investments accounted for using the equity method	8,556,096	158,025	100.00	158,025	Note A
Better Auto	Stock							
	Famous Now	Subsidiary	〃	1	144,953	100.00	144,953	Note A
Famous Now	Stock							
	Dongguan Pou Yuen Digital Technology Co., Ltd.	Subsidiary	〃	-	189,795	100.00	189,795	Note A
AdvanPOS Technology Co., Ltd.	Stock							
	Bright Mind Limited	Subsidiary	〃	200	904	100.00	904	Note A
Bright Mind Limited	Stock							
	AdvanPOS Technology Shanghai Co., Ltd.	Subsidiary	〃	-	1,775	100.00	1,775	Note A

(Continued)

Note A: The financial statements used as basis of net asset values had not been reviewed by independent CPAs, except those of AAC (BVI), AAC (HK), ANA, ATC, ATC (HK), AKMC, AEUH and AEU.

Note B: Market value was based on the closing price on September 30, 2013.

Note C: Market value was based on the net asset values of the open-ended mutual funds on September 30, 2013.

Note D: The amount included $977,325 thousand, the carrying value of 4,150,000 shares held in trust with China Trust Commercial Bank. Please refer to Note 8 of the financial statements for more information.

Note E: The amount included $339,710 thousand, the carrying value of 8,050,000 shares held in trust with China Trust Commercial Bank. Please refer to Note 8 of the financial statements for more information.

Note F: The amount included $117,712 thousand, the carrying value of 1,243,000 shares held in trust with China Trust Commercial Bank. Please refer to Note 8 of the financial statements for more information.

Note G: All intercompany gains and losses from investments have been eliminated from consolidation.

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars)

Company Holding the Securities	Securities Type and Name/Issuer	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Amount	Carrying Value	Gain (Loss) on Disposal	Shares	Amount
Advantech Co., Ltd. (the "Company")	Fund													
	Mega Diamond Money Market	Available for sale financial assets - current	-	-	-	$ -	132,147,052.21	$ 1,610,500	94,122,971.40	$ 1,149,000	$ 1,146,470	$ 2,530	38,024,080.81	$ 464,030
	Taishin 1699 Money Market	Available for sale financial assets - current	-	-	35,809,736.85	469,145	37,200,204.18	489,000	73,009,941.03	961,164	958,145	3,019	-	-
	Eastspring Inv Well Pool Money Market	Available for sale financial assets - current	-	-	11,359,677.70	150,000	11,320,097.50	149,500	22,679,775.20	300,673	299,500	1,173	-	-
	Yuanta Wan Tai Money Market	Available for sale financial assets - current	-	-	-	-	36,034,467.20	530,800	36,034,467.20	532,337	530,800	1,537	-	-
	Capital Money Market	Available for sale financial assets - current	-	-	-	-	41,571,311.80	653,000	41,571,311.80	653,735	653,000	735	-	-
	Stock													
	AdvanPOS Technology Co., Ltd.	Investment equity method	-	-	-	-	12,778,455	319,461 (Note A)	-	-	-	-	12,778,455	318,437
	Advantech-LNC Technology Co., Ltd.	Investment equity method	-	-	-	-	49,985,001	729,787 (Note B)	-	-	-	-	49,985,001	726,567
	ASUSTek Computer Inc.	Available for sale financial assets - noncurrent	-	-	5,464,461	1,613,268	123,000	31,075	441,000	161,972	130,196	31,776	5,146,461	1,514,147
Advansus Corp.	Fund													
	Taishin 1699 Money Market	Available for sale financial assets - current	-	-	10,697,254.15	140,030	12,527,295.04	165,000	14,425,871.95	190,000	189,124	876	8,798,677.24	115,906

Note A: The Company acquired 70.19% of equity of AdvanPOS Technology Co., Ltd. for $319,461 thousand.

Note B: The Company acquired 99.97% of equity of LNC Technology Co., Ltd. for $729,787 thousand. The acquiree company was renamed Advantech-LNC Technology Co., Ltd.

TABLE 5

ADVANTECH CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars/Foreign Currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Advantech Co., Ltd. (the Company)	AAU	Subsidiary	Sale	$ (127,372)	0.81	60-90 days	Contract price	No significant difference from terms for related parties	$ 35,986	0.98	
	ACN	Indirect subsidiary	Sale	(1,498,435)	9.54	45 days after month end	Contract price	No significant difference from terms for related parties	528,733	14.39	
	AEU	Indirect subsidiary	Sale	(1,729,184)	11.01	30 days after month end	Contract price	No significant difference from terms for related parties	788,280	21.45	
	AKMC	Indirect subsidiary	Sale	(586,901)	3.74	45 days after month end	Contract price	No significant difference from terms for related parties	123,154	3.35	
	AiSC	Indirect subsidiary	Sale	(1,639,256)	10.44	45 days after month end	Contract price	No significant difference from terms for related parties	765,767	30.84	
	ANA	Indirect subsidiary	Sale	(5,099,468)	32.47	45 days after month end	Contract price	No significant difference from terms for related parties	271,718	7.39	
	AKR	Subsidiary	Sale	(380,508)	2.42	Immediate payment	Contract price	No significant difference from terms for related parties	45,438	1.24	
	AJP	Subsidiary	Sale	(229,939)	1.46	60-90 days	Contract price	No significant difference from terms for related parties	68,372	1.86	
	ASG	Subsidiary	Sale	(105,778)	0.67	60-90 days	Contract price	No significant difference from terms for related parties	32,433	0.88	
	ATC	Subsidiary	Purchase	5,443,262	46.82	60 days after month end	Contract price	No significant difference from terms for related parties	(1,380,320)	59.04	
	Advansus Corp.	Subsidiary	Purchase	435,814	3.75	Usual trade terms	Contract price	No significant difference from terms for related parties	(139,436)	5.96	
	ACA	Subsidiary	Purchase	2,145,348	18.45	Usual trade terms	Contract price	No significant difference from terms for related parties	(181,889)	7.78	
ATC	Advantech Co., Ltd.	Ultimate parent company	Sale	(5,443,262)	98.61	Usual trade terms	Contract price	No significant difference from terms for related parties	1,380,320	95.39	
Advansus Corp.	Advantech Co., Ltd.	Ultimate parent company	Sale	(435,814)	21.74	Usual trade terms	Contract price	No significant difference from terms for related parties	139,436	27.19	
ACA	Advantech Co., Ltd.	Ultimate parent company	Sale	(2,145,348)	66.53	Usual trade terms	Contract price	No significant difference from terms for related parties	181,889	42.32	
ANA	Advantech Co., Ltd.	Ultimate parent company	Purchase	5,099,468	89.11	45 days after month end	Contract price	No significant difference from terms for related parties	(271,718)	85.40	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
AEU	Advantech Co., Ltd.	Ultimate parent company	Purchase	$ 1,729,184	83.23	30 days after month end	Contract price	No significant difference from terms for related parties	$ (788,280)	88.59	
ACN	Advantech Co., Ltd.	Ultimate parent company	Purchase	1,498,435	71.47	45 days after month end	Contract price	No significant difference from terms for related parties	(528,733)	74.42	
AKMC	Advantech Co., Ltd.	Ultimate parent company	Purchase	586,901	11.59	45 days after month end	Contract price	No significant difference from terms for related parties	(123,154)	8.78	
AiSC	Advantech Co., Ltd.	Ultimate parent company	Purchase	1,639,256	65.57	45 days after month end	Contract price	No significant difference from terms for related parties	(765,767)	82.93	
AKR	Advantech Co., Ltd.	Ultimate parent company	Purchase	380,508	55.77	Immediate payment	Contract price	No significant difference from terms for related parties	(45,438)	36.23	
AJP	Advantech Co., Ltd.	Ultimate parent company	Purchase	229,939	95.34	60-90 days	Contract price	No significant difference from terms for related parties	(68,372)	100.00	
AAU	Advantech Co., Ltd.	Ultimate parent company	Purchase	127,372	72.31	60-90 days	Contract price	No significant difference from terms for related parties	(35,986)	66.16	
ASG	Advantech Co., Ltd.	Ultimate parent company	Purchase	105,778	62.11	60-90 days	Contract price	No significant difference from terms for related parties	(32,433)	88.27	
Advansus Corp.	AKMC	Related enterprise	Sale	(515,952)	25.74	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	134,867	26.30	
	ACA	Related enterprise	Sale	(164,901)	8.23	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	22,655	4.42	
ACN	AiSC	Related enterprise	Sale	(237,762)	11.86	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	63,699	4.39	
AKMC	ATC	Related enterprise	Sale	(5,119,876)	92.60	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	506,896	86.01	
	Netstar Technology Co., Ltd.	Related enterprise	Sale	(154,095)	2.79	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	19,418	3.29	
AiSC	AKMC	Related enterprise	Sale	(178,174)	3.22	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	46,791	4.51	
ACA	Advansus Corp.	Related enterprise	Sale	(351,271)	10.89	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	47,661	11.09	
	AKMC	Related enterprise	Sale	(718,913)	22.30	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	193,973	45.13	
AiSC	ACN	Related enterprise	Sale	(104,625)	3.66	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	30,526	14.15	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
AKMC	AiSC	Related enterprise	Sale	$ (196,625)	3.56	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	$ 52,969	8.99	
	Advansus Corp.	Related enterprise	Purchase	515,952	10.19	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(134,867)	9.62	
ACA	Advansus Corp.	Related enterprise	Purchase	164,901	5.45	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(22,655)	6.68	
AiSC	ACN	Related enterprise	Purchase	237,762	9.51	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(63,699)	6.90	
ATC	AKMC	Related enterprise	Purchase	5,119,876	100.00	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(506,896)	98.70	
Netstar Technology Co., Ltd.	AKMC	Related enterprise	Purchase	154,095	99.23	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(19,418)	98.58	
AKMC	AiSC	Related enterprise	Purchase	178,174	3.52	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(46,791)	3.34	
Advansus Corp.	ACA	Related enterprise	Purchase	351,271	20.04	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(47,661)	11.67	
AKMC	ACA	Related enterprise	Purchase	718,913	14.19	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(193,973)	13.84	
ACN	AiSC	Related enterprise	Purchase	104,625	4.99	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(30,526)	4.30	
AiSC	AKMC	Related enterprise	Purchase	196,625	7.87	Usual trade terms	Mark-up pricing	No significant difference from terms for related parties	(52,969)	5.74	

Note: All intercompany transactions have been eliminated from consolidation.

(Concluded)

TABLE 6

ADVANTECH CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF PAID-IN CAPITAL
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate (Times)	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Advantech Co., Ltd. (the "Company")	AEU	Indirect subsidiary	$ 788,280	2.99	$ -	-	$ 75,698	$ -
	AiSC	Indirect subsidiary	765,767	3.31	-	-	159,411	-
	ACN	Indirect subsidiary	528,733	3.54	-	-	159,413	-
	ANA	Indirect subsidiary	271,718	15.92	-	-	237,025	-
	AKMC	Indirect subsidiary	123,154	9.02	-	-	74,610	-
Advansus Corp.	Advantech Co., Ltd.	Parent company	139,436	7.30	-	-	75,673	-
	AKMC	Related enterprise	134,867	5.77	-	-	66,631	-
ATC	Advantech Co., Ltd.	Parent company	1,380,320	5.36	-	-	581,505	-
ACA	Advantech Co., Ltd.	Parent company	181,889	28.39	-	-	-	-
AKMC	ATC	Related enterprise	506,896	13.55	-	-	58,097	-
ACA	AKMC	Related enterprise	193,973	6.70	-	-	85,888	-

Note: All intercompany gains and losses from investments have been eliminated from consolidation.

ADVANTECH CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2013			Net Income (Loss) of the Investee	Investment Gain (Loss) (Note)	Note
				September 30, 2013	December 31, 2012	Shares	Percentage of Ownership	Carrying Value			
Advantech Co., Ltd.	AAC (BVI)	BVI	Investment and management service	$ 993,108	$ 993,108	29,623,834	100.00	$ 2,785,901	$ 292,437	$ 288,272	Subsidiary
	ATC	BVI	Sale of industrial automation products	1,231,118	1,231,118	38,750,000	100.00	3,039,792	139,814	139,847	Subsidiary
	Advansus Corp.	Taipei, Taiwan	Production and sale of industrial automation products	486,000	486,000	36,000,000	100.00	544,214	117,119	107,510	Subsidiary
	Advantech Fund-A	Taipei, Taiwan	Investment holding company	900,000	900,000	90,000,000	100.00	1,028,604	97,703	98,968	Subsidiary
	Axiomtek	Taipei, Taiwan	Production and sale of industrial automation products	249,059	249,059	20,537,984	26.55	349,284	215,882	55,063	Equity-method investee
	AdvanPOS Technology Co., Ltd.	Taipei, Taiwan	Production and sale of POS system	319,461	-	12,778,455	70.19	318,437	14,038	(875)	Subsidiary
	Advantech-LNC Technology Co., Ltd.	Taichung, Taiwan	Production and sale of machine control solution	729,787	-	49,985,001	99.97	726,567	8,332	(1,716)	Subsidiary
	AEUH	Helmond, The Netherlands	Investment and management service	1,146,489	1,146,489	9,572,024	100.00	839,668	22,449	22,445	Subsidiary
	ASG	Techplace, Singapore	Sale of industrial automation products	27,134	27,134	1,450,000	100.00	90,652	7,343	7,343	Subsidiary
	AAU	Sydney, Australia	Sale of industrial automation products	40,600	40,600	500,204	100.00	53,018	1,234	1,234	Subsidiary
	AJP	Tokyo, Japan	Sale of industrial automation products	15,472	15,472	1,200	100.00	142,201	(8,243)	(8,243)	Subsidiary
	AMY	Malaysia	Sale of industrial automation products	35,140	35,140	2,000,000	100.00	35,306	5,111	5,111	Subsidiary
	AKR	Seoul, Korea	Sale of industrial automation products	73,355	73,355	600,000	100.00	180,061	34,571	34,571	Subsidiary
	ABR	Sao Paulo, Brazil	Production and sale of portable industrial computing products	-	-	971,055	43.28	38,415	16,557	9,934	Subsidiary
	ACA	Taipei, Taiwan	Production and sale of industrial automation products	141,562	141,562	7,948,839	99.36	496,154	172,583	169,336	Subsidiary
	AIN	India	Sale of industrial automation products	5,567	5,567	999,999	99.99	(3,548)	(4,948)	(4,948)	Subsidiary
Advantech Fund-A	Netstar Technology Co., Ltd.	Taipei, Taiwan	Production and sale of industrial automation products	291,163	287,564	23,870,422	95.48	316,713	47,790	44,786	Indirect subsidiary
	AiST	Taipei, Taiwan	Assembly and production of computers	142,063	142,063	6,777,571	100.00	187,676	40,907	40,907	Indirect subsidiary
	Cermate Technology Inc.	Taipei, Taiwan	Production and sale of electrical equipment, telecommunications equipment and electronic parts manufacturing	71,500	71,500	5,500,000	55.00	101,815	15,070	8,288	Indirect subsidiary
	Axiomtek	Taipei, Taiwan	Production and sale of industrial automation products	28,887	40,816	1,287,000	1.66	32,043	215,882	4,299	Equity-method investee
ATC	ATC (HK)	Hong Kong	Investment and management service	1,212,730	1,212,730	41,650,001	100.00	2,162,093	116,951	116,951	Indirect subsidiary
ATC (HK)	AKMC	Jiangsu, China	Production and sale of industrial automation products	1,212,730	1,212,730	-	100.00	2,162,093	116,951	116,951	Indirect subsidiary
AAC (BVI)	ANA	Sunnyvale, USA	Sale and fabrication of industrial automation products	504,179	504,179	10,952,606	100.00	1,546,792	134,280	134,280	Indirect subsidiary
	AAC (HK)	Hong Kong	Investment and management service	539,146	539,146	15,230,001	100.00	1,392,965	158,212	158,212	Indirect subsidiary
ANA	AMX	Mexico	Sale of industrial automation products	4,922	2,047	-	100.00	1,826	(1,800)	(1,800)	Indirect subsidiary
AAC (HK)	ACN	Beijing, China	Sale of industrial automation products	185,356	185,356	-	100.00	729,628	90,154	90,154	Indirect subsidiary
	AiSC	Shanghai, China	Sale of industrial automation products	257,040	257,040	-	100.00	692,640	101,355	101,355	Indirect subsidiary
	AXA	Xi'an, China	Development and production of software products	32,960	32,960	-	100.00	(31,131)	(33,369)	(33,369)	Indirect subsidiary
ACN	Hangzhou Advantofine Automation Co., Ltd.	Hangzhou, China	Processing and sale of peripherals	13,727	13,727	-	60.00	13,381	(2,775)	(1,665)	Indirect subsidiary
AEUH	AEU	Eindhoven, The Netherlands	Sale of industrial automation products	316,403	316,403	8,609,658	100.00	775,809	18,353	18,353	Indirect subsidiary
	APL	Warsaw, Poland	Sale of industrial automation products	14,176	14,176	6,350	100.00	44,773	3,839	3,839	Indirect subsidiary
AEU	A-DLoG	Munich, Germany	Design, R&D and sale of industrial automation vehicles and related products	553,536	553,536	1	100.00	671,413	47,615	26,696	Indirect subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2013			Net Income (Loss) of the Investee	Investment Gain (Loss) (Note)	Note
				September 30, 2013	December 31, 2012	Shares	Percentage of Ownership	Carrying Value			
ASG	ATH	Thailand	Production of computers	$ 7,537	$ 7,537	51,000	51.00	$ 13,639	$ 3,164	$ 1,614	Indirect subsidiary
	AID	Indonesia	Sale of industrial automation products	4,797	3,330	300,000	100.00	678	(2,733)	(2,733)	Indirect subsidiary
Netstar Technology Co., Ltd.	Jan Hsiang Electronics Co., Ltd.	Taipei, Taiwan	Electronic parts and components manufacturing	3,719	3,719	655,500	28.50	6,623	(407)	(116)	Equity-method investee
Cermate Technology Inc.	LandMark	BVI	General investment	28,200	28,200	972,284	100.00	59,271	6,039	5,423	Indirect subsidiary
LandMark	Cermate (Shanghai)	Shanghai, China	Sale of industrial electronic products	US$ 572	US$ 572	-	100.00	25,786	445	445	Indirect subsidiary
	Cermate (Shenzhen)	Shenzhen, China	Manufacture of LCD touch panels, USB data cables and industrial automation products	US$ 308	US$ 308	-	90.00	15,615	8,464	7,617	Indirect subsidiary
Advantech-LNC Technology Co., Ltd.	Better Auto	BVI	General investment	264,445	264,445	8,556,096	100.00	158,025	5,915	4,618	Indirect subsidiary
Better Auto	Famous Now	BVI	General investment	US$ 4,000	US$ 4,000	1	100.00	144,953	41	41	Indirect subsidiary
Famous Now	Dongguan Pou Yuen Digital Technology Co., Ltd.	Dongguan, China	Development, production, and sale of machine control solution and related software and hardware	US$ 4,000	US$ 4,000	-	100.00	189,795	1,816	1,816	Indirect subsidiary
AdvanPOS Technology Co., Ltd.	Bright Mind Limited	Samoa	General investment	US$ 200	US$ 200	200	100.00	904	(1,854)	(1,854)	Indirect subsidiary
Bright Mind Limited	AdvanPOS Technology Shanghai Co., Ltd.	Shanghai, China	Sale of computer software and hardware	US$ 200	US$ 200	-	100.00	1,775	(1,854)	(1,854)	Indirect subsidiary

Note A: The financial statements used as basis of net asset values had not been reviewed by independent CPAs, except those of AAC (BVI), AAC (HK), ANA, ATC, ATC (HK), AKMC, AEUH and AEU.

Note B: All intercompany gains and losses from investments have been eliminated from consolidation.

(Concluded)

TABLE 8

ADVANTECH CO., LTD. AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (e.g., Direct or Indirect)	Accumulated Outflow of Investment from Taiwan as of January 1, 2013 (Note E)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2013 (Note E)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Notes A and B)	Carrying Value as of September 30, 2013	Accumulated Inward Remittance of Earnings as of September 30, 2013
					Outflow	Inflow					
Advantech Technology (China) Company Ltd. (AKMC)	Production and sale of components of industrial automation products	US$ 41,650 Thousand	Indirect	$ 1,102,961 (US$ 37,300 thousand)	$ -	$ -	$ 1,102,961 (US$ 37,300 thousand)	100.00	$ 116,951	$ 2,162,093	$ -
Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. (ACN)	Sale of industrial automation products	US$ 4,230 thousand	Indirect	157,667 (US$ 5,332 thousand)	-	-	157,667 (US$ 5,332 thousand)	100.00	90,154	729,628	332,219 (US$ 11,235 thousand)
Shanghai Advantech Intelligent Services Co., Ltd. (AiSC)	Production and sale of industrial automation products	US$ 8,000 thousand	Indirect	236,560 (US$ 8,000 thousand)	-	-	236,560 (US$ 8,000 thousand)	100.00	101,355	692,640	-
Xi'an Advantech Software Ltd. (AXA)	Development and production of software products	US$ 1,000 thousand	Indirect	(Note C)	-	-	(Note C)	100.00	(33,369)	(31,131)	-

Accumulated Investment in Mainland China as of September 30, 2013	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Allowable Limit on Investment
$1,503,102 (US$50,832 thousand) (Note D)	$2,040,330 (US$69,000 thousand)	$10,804,184 (Note G)

Note A: The financial statements used as basis of net asset values had not been reviewed by independent CPAs, except those of AAC (BVI), AAC (HK), ANA, ATC, ATC (HK), AKMC, AEUH and AEU.

Note B: The significant events, prices, payment terms and unrealized gains or losses generated on trading between Advantech Co., Ltd. (the "Company") and its investees in Mainland China are described in Note 36 of the financial statements and Tables 1, 6 and 7.

Note C: Remittance by Advantech Automation Corp. (H.K.) Limited.

Note D: Included is the outflow of US$200 thousand on the investment in Yan Hua (Guang Zhou Bao Shui Qu) Co., Ltd. located in a free trade zone in Guang Zhou. When this investee was liquidated in September 2005, the outward investment remittance ceased upon the approval of the Ministry of Economic Affairs (MOEA). For each future capital return, the Company will apply to the MOEA for the approval of the return as well as reduce the accumulated investment amount by the return amount

(Continued)

Note E: For Advantech Technology (China) Company Ltd., there was a capital increase US$4,350 thousand out of earnings as of September 30, 2013.

Note F: The exchange rate was US$1.00=NT$29.57.

Note G: The maximum allowable limit on investment was based on 60% of the consolidated net asset value of the “Company”.

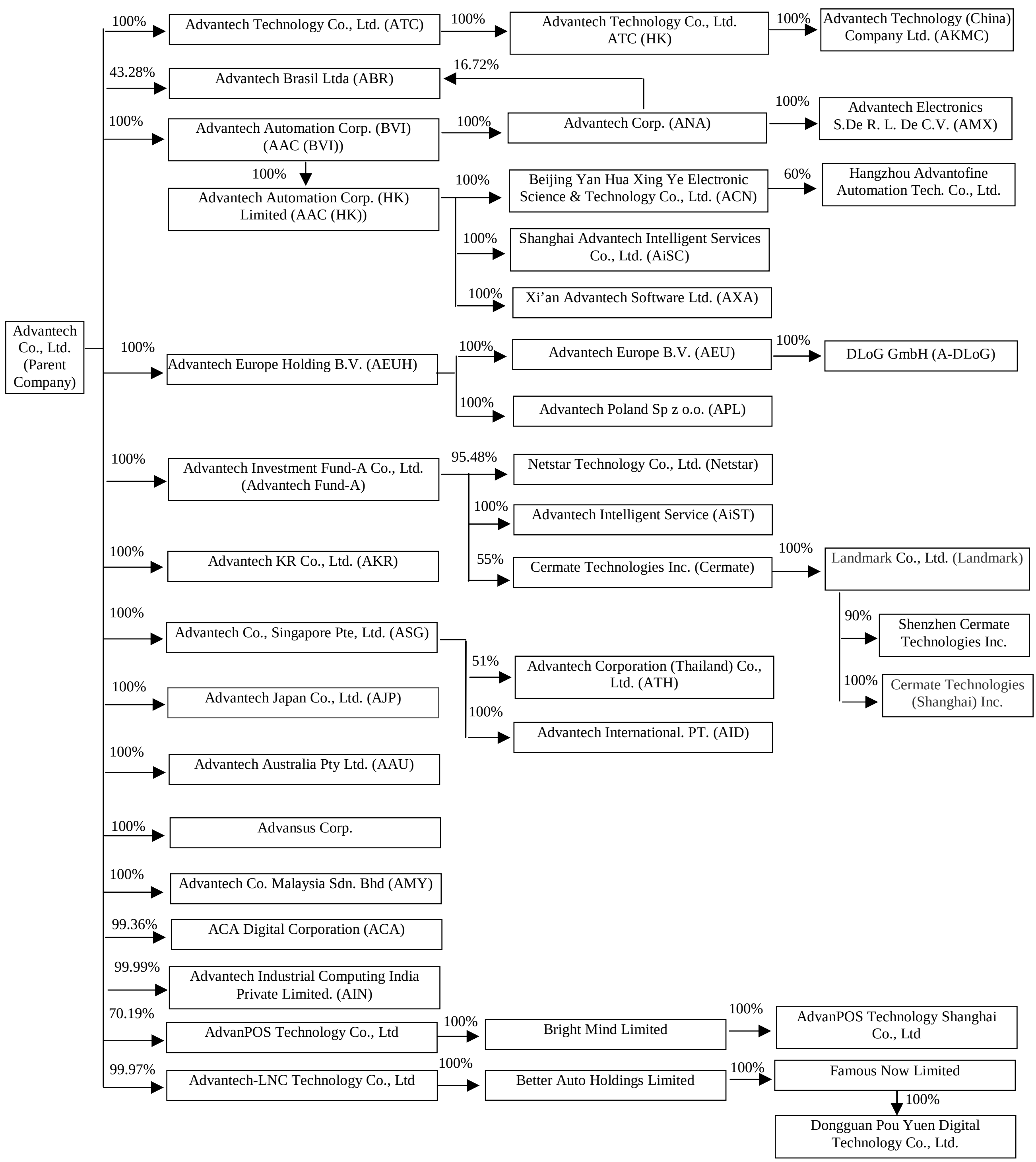
Note H: All intercompany gains and losses from investments have been eliminated from consolidation.

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

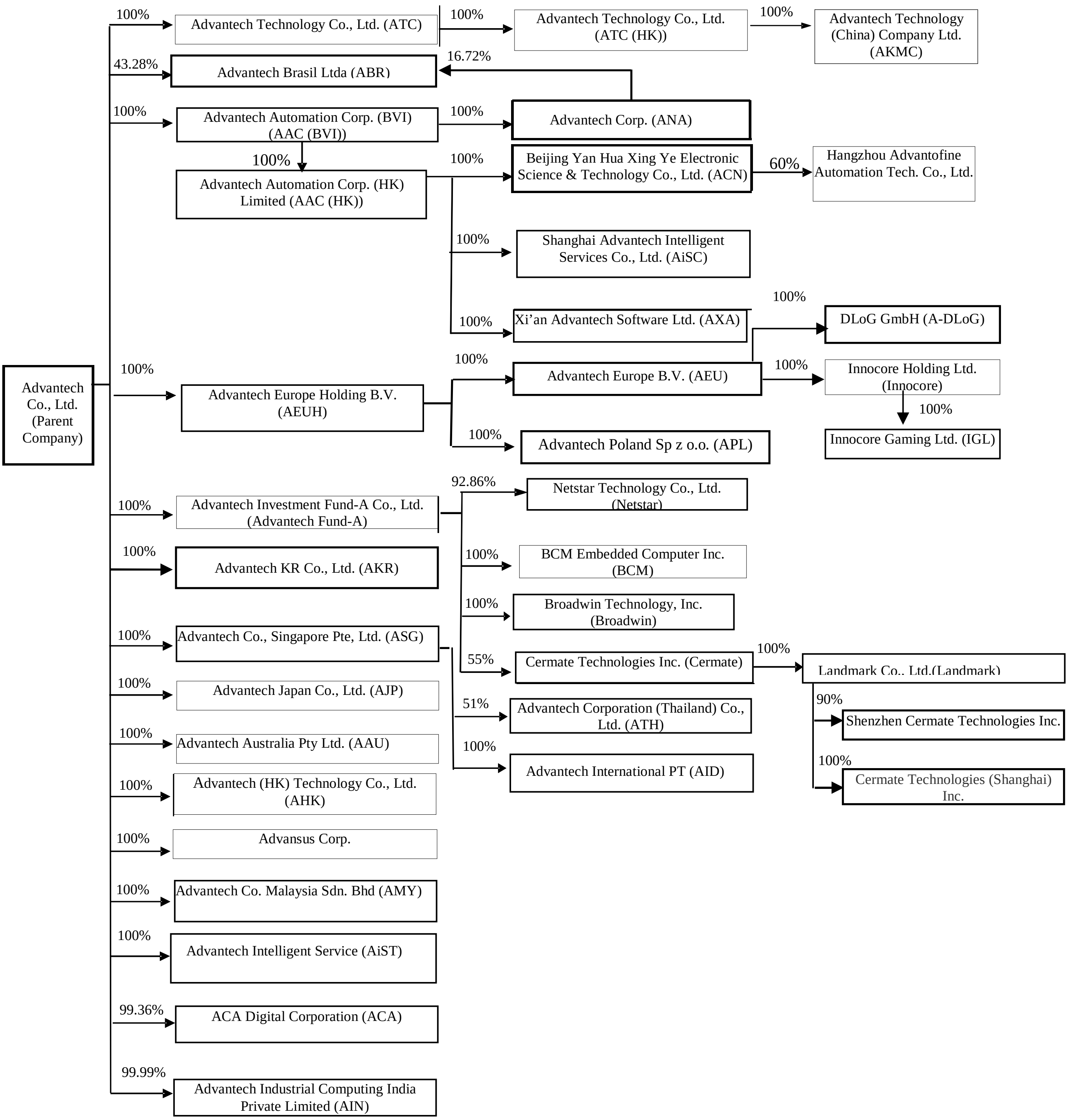
ORGANIZATION CHART
SEPTEMBER 30, 2013 AND 2012

Intercompany relationships and percentages of ownership as of September 30, 2013 are shown below:



(Continued)

Intercompany relationships and percentages of ownership as of September 30, 2012 are shown below:



(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS BETWEEN ADVANTECH CO., LTD. AND SUBSIDIARIES
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars)

September 30, 2013

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
0	Advantech Co., Ltd.	AAC (HK)	1	Receivables from related parties	$ 103	45 days EOM	-
		AAC (HK)	1	Operating expense	4,144	Normal	-
		AAC (HK)	1	Payables to related parties	355	45 days EOM	-
		AAU	1	Purchase	38	Normal	-
		AAU	1	Other revenue	2,386	Normal	-
		AAU	1	Receivables from related parties	35,986	60-90 days	-
		AAU	1	Sales	127,372	Normal	1
		AAU	1	Payables to related parties	79	60-90 days	-
		AAU	1	Operating expense	77	Normal	-
		ABR	1	Other revenue	2,537	Normal	-
		ABR	1	Receivables from related parties	21,814	90 days EOM	-
		ABR	1	Sales	88,006	Normal	-
		ABR	1	Payables to related parties	49	Normal	-
		ACA	1	Receivables from related parties	441	30 days EOM	-
		ACA	1	Sales	1,032	Normal	-
		ACA	1	Other revenue	3,780	45 days after invoice date	-
		ACA	1	Payables to related parties	181,889	30 days EOM	1
		ACA	1	Purchase	2,145,348	Normal	10
		ACN	1	Purchase	99	Normal	-
		ACN	1	Payables to related parties	119	30 days EOM	-
		ACN	1	Receivables from related parties	528,733	45 days EOM	2
		ACN	1	Sales	1,498,435	Normal	7
		A-DLoG	1	Other revenue	4,170	Normal	-
		A-DLoG	1	Receivables from related parties	4,522	30 days after invoice date	-
		A-DLoG	1	Payables to related parties	5,654	30 days after invoice date	-
		A-DLoG	1	Sales	32,864	Normal	-
		A-DLoG	1	Purchase	29,216	Normal	-
		AEU	1	Purchase	1,485	Normal	-
		AEU	1	Payables to related parties	229	30 days EOM	-
		AEU	1	Other revenue	10,937	Normal	-
		AEU	1	Receivables from related parties	788,280	30 days EOM	3
		AEU	1	Sales	1,729,184	Normal	8
		AID	1	Receivables from related parties	572	45 days after invoice date	-
		AID	1	Sales	1,111	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		AIN	1	Purchase	$ 420	Normal	-
		AIN	1	Payables to related parties	604	60 days EOM	-
		AIN	1	Operating expense	3,402	Normal	-
		AIN	1	Sales	11,422	Normal	-
		AIN	1	Receivables from related parties	14,307	60 days EOM	-
		AiSC	1	Purchase	856	60 days after invoice date	-
		AiSC	1	Receivables from related parties	765,767	45 days EOM	3
		AiSC	1	Sales	1,639,256	Normal	7
		AJP	1	Payables to related parties	571	60-90 days	-
		AJP	1	Other revenue	3,627	Normal	-
		AJP	1	Receivables from related parties	68,372	60-90 days	-
		AJP	1	Sales	229,939	Normal	1
		AJP	1	Purchase	3	Normal	-
		AKMC	1	Receivables from related parties	123,154	45 days EOM	-
		AKMC	1	Sales	586,901	Normal	3
		AKR	1	Purchase	71	Normal	-
		AKR	1	Other revenue	3,892	Normal	-
		AKR	1	Receivables from related parties	45,438	Immediate payment	-
		AKR	1	Sales	380,508	Normal	2
		AMX	1	Operating expense	1,662	Normal	-
		AMY	1	Purchase	13	Normal	-
		AMY	1	Other revenue	1,696	Normal	-
		AMY	1	Receivables from related parties	10,740	45 days EOM	-
		AMY	1	Sales	44,690	Normal	-
		AMY	1	Payables to related parties	5	Normal	-
		ANA	1	Other revenue	15,813	Normal	-
		ANA	1	Payables to related parties	5,590	45 days EOM	-
		ANA	1	Purchase	68,277	Normal	-
		ANA	1	Receivables from related parties	271,718	45 days EOM	1
		ANA	1	Sales	5,099,468	Normal	23
		APL	1	Purchase	2	Normal	-
		APL	1	Receivables from related parties	958	45 days EOM	-
		APL	1	Sales	7,129	Normal	-
		ASG	1	Purchase	32	Normal	-
		ASG	1	Operating expense	332	Normal	-
		ASG	1	Other revenue	2,205	Normal	-
		ASG	1	Receivables from related parties	32,433	60-90 days	-
		ASG	1	Sales	105,778	Normal	-
		ASG	1	Payables to related parties	10	60-90 days	-
		ATC	1	Royalty revenue	274,422	Normal	1
		ATC	1	Payables to related parties	1,380,320	60 days EOM	5
		ATC	1	Purchase	5,443,262	Normal	24
		ATH	1	Other revenue	1,752	Normal	-
		ATH	1	Receivables from related parties	4,153	30 days after invoice date	-
		ATH	1	Sales	28,201	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Cermate Technologies Inc.	1	Sales	$ 62	Normal	-
		Cermate Technologies Inc.	1	Receivables from related parties	75	30 days EOM	-
		Cermate Technologies Inc.	1	Other revenue	540	Normal	-
		Cermate Technologies Inc.	1	Payables to related parties	1,200	30 days EOM	-
		Cermate Technologies Inc.	1	Purchase	4,615	Normal	-
		Hangzhou Advantofine Automation Co., Ltd.	1	Payables to related parties	7	30 days EOM	-
		Advantech Fund-A	1	Rental revenue	27	Normal	-
		Advantech Fund-A	1	Receivables from related parties	3	Normal	-
		AiST	1	Payables to related parties	591	30 days EOM	-
		AiST	1	Purchase	2,794	Normal	-
		AiST	1	Receivables from related parties	5,639	Normal	-
		AiST	1	Sales	31,233	Normal	-
		AiST	1	Other revenue	720	Normal	-
		Advantech - LNC Technology Co., Ltd.	1	Sales	165	Normal	-
		Advantech - LNC Technology Co., Ltd.	1	Receivables from related parties	1,185	60-90 days	-
		Advansus Corp.	1	Rental revenue	45	Normal	-
		Advansus Corp.	1	Rental expense	85	Normal	-
		Advansus Corp.	1	Receivables from related parties	11,165	60-90 days	-
		Advansus Corp.	1	Sales	25,526	Normal	-
		Advansus Corp.	1	Payables to related parties	139,436	60-90 days	1
		Advansus Corp.	1	Purchase	435,814	Normal	2
		Netstar Technology Co., Ltd.	1	Sales	102	Normal	-
		Netstar Technology Co., Ltd.	1	Receivables from related parties	176	25th of every month	-
		Netstar Technology Co., Ltd.	1	Other revenue	720	Normal	-
		Netstar Technology Co., Ltd.	1	Payables to related parties	15,072	60 days EOM	-
		Netstar Technology Co., Ltd.	1	Purchase	57,931	Normal	-
		AdvanPOS Technology Co., Ltd.	1	Sales	1,944	Normal	-
		AdvanPOS Technology Co., Ltd.	1	Receivables from related parties	3,951	60 days EOM	-
1	ACN (ASZ)	ACN	3	Payables to related parties	2,086	45 days EOM	-
	ACN	AEU	3	Sales	1,811	Normal	-
		AEU	3	Receivables from related parties	481	30 days EOM	-
		AiSC	3	Sales	237,762	Normal	1
		AiSC	3	Receivables from related parties	63,699	Immediate payment	-
		AiSC	3	Interest expense	1,648	Normal	-
		AiSC	3	Purchase	104,625	Normal	-
		AiSC	3	Payables to related parties	30,526	25th of every month	-
		AKMC	3	Rental expense	3,259	Normal	-
		AKMC	3	Payables to related parties	8,142	60-90 days	-
		AKMC	3	Purchase	34,174	Normal	-
		AKMC	3	Receivables from related parties	2,093	60-90 days	-
		AKMC	3	Sales	9,175	Normal	-
		AKR	3	Receivables from related parties	23	45 days EOM	-
		AKR	3	Sales	119	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		AMY	3	Sales	$ 24	Normal	-
		ANA	3	Sales	715	Normal	-
		ANA	3	Receivables from related parties	248	30 days EOM	-
		ACN (ASZ)	3	Receivables from related parties	2,086	45 days EOM	-
		AXA	3	Receivables from related parties	48,222	60 days EOM	-
		AXA	3	Payables to related parties	45,192	30 days EOM	-
		Advantech Co., Ltd.	2	Sales	99	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	528,733	45 days EOM	2
		Advantech Co., Ltd.	2	Purchase	1,498,435	Normal	7
		Advantech Co., Ltd.	2	Receivables from related parties	119	30 days EOM	-
		Hangzhou Advantofine Automation Co., Ltd.	3	Purchase	893	Normal	-
		Hangzhou Advantofine Automation Co., Ltd.	3	Receivables from related parties	2,135	60 days after invoice date	-
		Hangzhou Advantofine Automation Co., Ltd.	3	Payables to related parties	535	60 days after invoice date	-
2	AAU	A-DLoG	3	Purchase	51	Normal	-
		AiSC	3	Purchase	702	Normal	-
		AKMC	3	Receivables from related parties	900	30 days after invoice date	-
		ANA	3	Purchase	23	Normal	-
		Advantech Co., Ltd.	2	Sales	38	Normal	-
		Advantech Co., Ltd.	2	Other expense	2,386	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	35,986	60-90 days	-
		Advantech Co., Ltd.	2	Purchase	127,372	Normal	1
		Advantech Co., Ltd.	2	Receivables from related parties	79	60-90 days	-
		Advantech Co., Ltd.	2	Other revenue	77	Normal	-
3	ABR	AKMC	3	Payables to related parties	90	immediate payment	-
		Advantech Co., Ltd.	2	Other expense	2,537	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	21,814	90 days EOM	-
		Advantech Co., Ltd.	2	Purchase	88,006	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	49	Normal	-
4	ACA	AiSC	3	Purchase	16,649	Normal	-
		AiSC	3	Payables to related parties	883	60 days after invoice date	-
		AKMC	3	Receivables from related parties	193,973	45 days EOM	1
		AKMC	3	Sales	718,913	Normal	3
		AKMC	3	Purchase	1,841	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	441	30 days EOM	-
		Advantech Co., Ltd.	2	Purchase	1,032	Normal	-
		Advantech Co., Ltd.	2	Other expense	3,780	45 days after invoice date	-
		Advantech Co., Ltd.	2	Receivables from related parties	181,889	30 days EOM	1
		Advantech Co., Ltd.	2	Sales	2,145,348	Normal	10

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Advansus Corp.	3	Sales	$ 351,271	Normal	2
		Advansus Corp.	3	Payables to related parties	22,655	30 days EOM	-
		Advansus Corp.	3	Purchase	164,901	Normal	1
		Advansus Corp.	3	Receivables from related parties	47,661	45 days EOM	-
5	ADL (AFR)	ADL	3	Receivables from related parties	658	30 days after invoice date	-
	ADL (AUK)	ADL	3	Payables to related parties	39	30 days after invoice date	-
	ADL	ADL (AFR)	3	Payables to related parties	658	30 days after invoice date	-
	ADL (AIT)	ADL (AFR)	3	Payables to related parties	6	30 days after invoice date	-
	ADL (AUK)	ADL (AFR)	3	Payables to related parties	29	30 days after invoice date	-
	ADL (AFR)	ADL (AIT)	3	Receivables from related parties	6	30 days after invoice date	-
		ADL (AUK)	3	Receivables from related parties	29	30 days after invoice date	-
	ADL	ADL (AUK)	3	Receivables from related parties	39	30 days after invoice date	-
	ADL (AFR)	A-DLoG	3	Receivables from related parties	798	30 days upon delivery	-
	ADL	AEU	3	Commission revenue	62,694	Normal	-
		AEU	3	Receivables from related parties	14,619	30 days after invoice date	-
	ADL (AFR)	AEU	3	Commission revenue	33,628	Normal	-
		AEU	3	Receivables from related parties	8,727	30 days after invoice date	-
	ADL (AIT)	AEU	3	Commission revenue	36,845	Normal	-
		AEU	3	Receivables from related parties	5,172	30 days after invoice date	-
	ADL (AUK)	AEU	3	Royalty revenue	1,693	Normal	-
		AEU	3	Commission revenue	11,459	Normal	-
		AEU	3	Receivables from related parties	2,246	30 days after invoice date	-
	ADL	AEUH	3	Payables to related parties	113	30 days after invoice date	-
		AEUH	3	Interest expense	98	Normal	-
	ADL (AUK)	AiSC	3	Purchase	4,841	Normal	-
	ADL (ABN)	ANA	3	Purchase	9	Normal	-
	ADL (AUK)	ANA	3	Receivables from related parties	602	Immediate payment	-
		ANA	3	Royalty revenue	386	Normal	-
	ADL (AIT)	ANA	3	Purchase	186	Normal	-
	ADL	ATC	3	Receivables from related parties	4,078	7 days after invoice date	-
	ADL (AUK)	ATC	3	Receivables from related parties	700	30 days after invoice date	-
6	AEUH	ADL	3	Receivables from related parties	113	30 days after invoice date	-
		ADL	3	Interest revenue	98	Normal	-
		AEU	3	Interest revenue	522	Normal	-
		AEU	3	Other receivables from related parties	29,940	Financing	-
7	Advantech - LNC Technology Co., Ltd.	ATC	3	Sales	724	Normal	-
		ATC	3	Receivables from related parties	724	60 days EOM	-
		Better Auto	3	Receivables from related parties	88,272	60-90 days	-
		Better Auto	3	Payables to related parties	3,701	60-90 days	-
		Better Auto	3	Sales	16,943	Normal	-
		Advantech Co., Ltd.	2	Purchase	165	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	1,185	60-90 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Dongguan Pou Yuen Digital Technology Co., Ltd.	3	Payables to related parties	$ 3,688	60-90 days	-
		Dongguan Pou Yuen Digital Technology Co., Ltd.	3	Other revenue	5,055	Normal	-
		Dongguan Pou Yuen Digital Technology Co., Ltd.	3	Royalty revenue	69	Normal	-
		Dongguan Pou Yuen Digital Technology Co., Ltd.	3	Advance receipt from related parties	299	Normal	-
8	AiSC	AAC (HK)	3	Receivables from related parties	9,503	90 days	-
		AAU	3	Sales	702	Normal	-
		ACA	3	Sales	16,649	Normal	-
		ACA	3	Receivables from related parties	883	60 days after invoice date	-
		ACN	3	Receivables from related parties	30,526	25th of every month	-
		ACN	3	Sales	104,625	Normal	-
		ACN	3	Interest revenue	1,648	Normal	-
		ACN	3	Purchase	237,762	Normal	1
		ACN	3	Payables to related parties	63,699	immediate payment	-
		ADL (AUK)	3	Sales	4,841	Normal	-
		AEU	3	Sales	108	Normal	-
		AJP	3	Sales	86	Normal	-
		AKMC	3	Receivables from related parties	46,791	30 days EOM	-
		AKMC	3	Sales	178,174	Normal	1
		AKMC	3	Payables to related parties	52,969	immediate payment	-
		AKMC	3	Purchase	196,625	Normal	1
		ANA	3	Receivables from related parties	4,849	Immediate payment	-
		ANA	3	Sales	5,543	Normal	-
		ASG	3	Sales	648	Normal	-
		Advantech Co., Ltd.	2	Sales	856	60 days after invoice date	-
		Advantech Co., Ltd.	2	Payables to related parties	765,767	45 days EOM	3
		Advantech Co., Ltd.	2	Purchase	1,639,256	Normal	7
		Hangzhou Advantofine Automation Co., Ltd.	3	Receivables from related parties	13,661	Immediate payment	-
		Hangzhou Advantofine Automation Co., Ltd.	3	Sales	30,462	Normal	-
		Netstar Technology Co., Ltd.	3	Payables to related parties	520	30 days EOM	-
		Netstar Technology Co., Ltd.	3	Purchase	526	Normal	-
		AdvanPOS Technology Co., Ltd.	3	Payables to related parties	592	30 days EOM	-
		AdvanPOS Technology Co., Ltd.	3	Purchase	592	Normal	-
9	AJP	A-DLoG	3	Purchase	157	Normal	-
		AiSC	3	Purchase	86	Normal	-
		AKMC	3	Payables to related parties	1	30 days EOM	-
		ANA	3	Payables to related parties	25	15 days after invoice date	-
		ANA	3	Purchase	530	Normal	-
		ASG	3	Sales	9	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Advantech Co., Ltd.	2	Receivables from related parties	$ 571	60-90 days	-
		Advantech Co., Ltd.	2	Other expense	3,627	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	68,372	60-90 days	-
		Advantech Co., Ltd.	2	Purchase	229,939	Normal	1
		Advantech Co., Ltd.	2	Sales	3	Normal	-
		Netstar Technology Co., Ltd.	3	Payables to related parties	559	60 days EOM	-
		Netstar Technology Co., Ltd.	3	Purchase	968	Normal	-
10	AKMC	AAU	3	Payables to related parties	900	30 days after invoice date	-
		ABR	3	Receivables from related parties	90	immediate payment	-
		ACA	3	Payables to related parties	193,973	45 days EOM	1
		ACA	3	Purchase	718,913	Normal	3
		ACA	3	Sales	1,841	Normal	-
		ACN	3	Receivables from related parties	8,142	60-90 days	-
		ACN	3	Sales	34,174	Normal	-
		ACN	3	Payables to related parties	2,093	60-90 days	-
		ACN	3	Rental revenue	3,259	Normal	-
		ACN	3	Purchase	9,175	Normal	-
		AEU	3	Sales	326	Normal	-
		AEU	3	Receivables from related parties	13	30 days after invoice date	-
		AEU	3	Purchase	87	Normal	-
		AiSC	3	Payables to related parties	46,791	30 days EOM	-
		AiSC	3	Purchase	178,174	Normal	1
		AiSC	3	Receivables from related parties	52,969	Immediate payment	-
		AiSC	3	Sales	196,625	Normal	1
		AJP	3	Receivables from related parties	1	30 days EOM	-
		AKR	3	Sales	54	Normal	-
		ANA	3	Payables to related parties	1,805	30 days after invoice date	-
		ANA	3	Other payables to related parties	136,022	Financing	1
		ANA	3	Purchase	8,044	Normal	-
		ANA	3	Interest expense	2,141	Normal	-
		ANA	3	Sales	207	Normal	-
		ANA	3	Receivables from related parties	18	60-90 days	-
		ASG	3	Sales	10	Normal	-
		ATC	3	Receivables from related parties	506,896	60-90 days	2
		ATC	3	Sales	5,119,876	Normal	23
		ATC	3	Payables to related parties	23,007	60-90 days	-
		ATC	3	Purchase	37,201	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	123,154	45 days EOM	-
		Advantech Co., Ltd.	2	Purchase	586,901	Normal	3
		Cermate Technologies Inc.	3	Receivables from related parties	716	60 days EOM	-
		Cermate Technologies Inc.	3	Sales	716	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Purchase	24,283	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Payables to related parties	1,205	40 days EOM	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Hangzhou Advantofine Automation Co., Ltd.	3	Receivables from related parties	$ 47	Next 60 days EOM	-
		Advansus Corp.	3	Purchase	515,952	Normal	2
		Advansus Corp.	3	Payables to related parties	134,867	60-90 days	1
		Advansus Corp.	3	Receivables from related parties	634	Immediate payment	-
		Advansus Corp.	3	Sales	10,517	Normal	-
		Netstar Technology Co., Ltd.	3	Sales	154,095	Normal	1
		Netstar Technology Co., Ltd.	3	Receivables from related parties	19,418	Next 60 days EOM	-
		Netstar Technology Co., Ltd.	3	Purchase	1,078	Normal	-
		Netstar Technology Co., Ltd.	3	Payables to related parties	642	Next 60 days EOM	-
11	AKR	ACN	3	Payables to related parties	23	45 days EOM	-
		ACN	3	Purchase	119	Normal	-
		AEU	3	Purchase	519	Normal	-
		AKMC	3	Purchase	54	Normal	-
		Advantech Co., Ltd.	2	Sales	71	Normal	-
		Advantech Co., Ltd.	2	Other expense	3,892	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	45,438	immediate payment	-
		Advantech Co., Ltd.	2	Purchase	380,508	Normal	2
		Advansus Corp.	3	Purchase	98,465	Normal	-
		Advansus Corp.	3	Payables to related parties	36,182	60-90 days	-
12	AMY	ACN	3	Purchase	24	Normal	-
		ASG	3	Sales	345	Normal	-
		ASG	3	Purchase	6,401	Normal	-
		ASG	3	Payables to related parties	573	30 days EOM	-
		ATH	3	Sales	304	Normal	-
		Advantech Co., Ltd.	2	Sales	13	Normal	-
		Advantech Co., Ltd.	2	Other expense	1,696	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	10,740	45 days EOM	-
		Advantech Co., Ltd.	2	Purchase	44,690	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	5	Normal	-
13	ANA	AAU	3	Sales	23	Normal	-
		ACN	3	Purchase	715	Normal	-
		ACN	3	Payables to related parties	248	30 days EOM	-
		ADL (ABN)	3	Sales	9	Normal	-
		ADL (AIT)	3	Sales	186	Normal	-
		ADL (AUK)	3	Payables to related parties	602	Immediate payment	-
		ADL (AUK)	3	Royalty expense	386	Normal	-
		AEU	3	Sales	876	Normal	-
		AEU	3	Receivables from related parties	41	60-90 days	-
		AEU	3	Purchase	25,214	Normal	-
		AiSC	3	Payables to related parties	4,849	Immediate payment	-
		AiSC	3	Purchase	5,543	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		AJP	3	Receivables from related parties	$ 25	15 days after invoice date	-
		AJP	3	Sales	530	Normal	-
		AKMC	3	Receivables from related parties	1,805	30 days after invoice date	-
		AKMC	3	Other receivables from related parties	136,022	Financing	1
		AKMC	3	Sales	8,044	Normal	-
		AKMC	3	Interest revenue	2,141	Normal	-
		AKMC	3	Purchase	207	Normal	-
		AKMC	3	Payables to related parties	18	60-90 days	-
		AKR	3	Payables to related parties	11	45 days EOM	-
		AKR	3	Purchase	11	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	5,590	45 days EOM	-
		Advantech Co., Ltd.	2	Other expense	15,813	Normal	-
		Advantech Co., Ltd.	2	Sales	68,277	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	271,718	45 days EOM	1
		Advantech Co., Ltd.	2	Purchase	5,099,468	Normal	23
		Advansus Corp.	3	Purchase	61	Normal	-
		Netstar Technology Co., Ltd.	3	Purchase	207	Normal	-
14	APL	AEU	3	Receivables from related parties	34,104	30 days after invoice date	-
		AEU	3	Sales	33,751	Normal	-
		AEU	3	Purchase	1,318	Normal	-
		AEU	3	Commission revenue	5,243	60 days EOM	-
		Advantech Co., Ltd.	2	Sales	2	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	958	45 days EOM	-
		Advantech Co., Ltd.	2	Purchase	7,129	Normal	-
15	ASG	A-DLoG	3	Purchase	11	Normal	-
		AEU	3	Receivables from related parties	69	30 days EOM	-
		AEU	3	Sales	69	Normal	-
		AEU	3	Purchase	44	Normal	-
		AID	3	Receivables from related parties	1,289	30 days upon delivery	-
		AID	3	Sales	1,949	30 days after invoice date	-
		AiSC	3	Purchase	648	Normal	-
		AJP	3	Purchase	9	Normal	-
		AKMC	3	Purchase	10	Normal	-
		AMY	3	Sales	6,401	Normal	-
		AMY	3	Purchase	345	Normal	-
		AMY	3	Receivables from related parties	573	30 days EOM	-
		ATH	3	Sales	2,977	Normal	-
		ATH	3	Other expense	92	Normal	-
		ATH	3	Other revenue	2,439	Normal	-
		ATH	3	Receivables from related parties	773	30 days EOM	-
		Advantech Co., Ltd.	2	Sales	32	Normal	-
		Advantech Co., Ltd.	2	Other revenue	332	Normal	-
		Advantech Co., Ltd.	2	Other expense	2,205	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	32,433	60-90 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Advantech Co., Ltd.	2	Purchase	$ 105,778	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	10	60-90 days	-
16	ATC	ADL	3	Payables to related parties	4,078	7 days after invoice date	-
		ADL (AUK)	3	Payables to related parties	700	30 days after invoice date	-
		AKMC	3	Payables to related parties	506,896	60-90 days	2
		AKMC	3	Purchase	5,119,876	Normal	23
		AKMC	3	Receivables from related parties	23,007	60-90 days	-
		AKMC	3	Sales	37,201	Normal	-
		Advantech Co., Ltd.	2	Royalty expense	274,422	Normal	1
		Advantech Co., Ltd.	2	Receivables from related parties	1,380,320	60 days EOM	5
		Advantech Co., Ltd.	2	Sales	5,443,262	Normal	24
		Advantech - LNC Technology Co., Ltd.	3	Payables to related parties	724	60 days EOM	-
		Advantech - LNC Technology Co., Ltd.	3	Purchase	724	Normal	-
17	ATH	AMY	3	Purchase	304	Normal	-
		ASG	3	Purchase	2,977	Normal	-
		ASG	3	Other revenue	92	Normal	-
		ASG	3	Other expense	2,439	Normal	-
		ASG	3	Payables to related parties	773	30 days EOM	-
		Advantech Co., Ltd.	2	Other expense	1,752	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	4,153	30 days after invoice date	-
		Advantech Co., Ltd.	2	Purchase	28,201	Normal	-
18	AXA	ACN	3	Payables to related parties	48,222	60 days EOM	-
		ACN	3	Receivables from related parties	45,192	30 days EOM	-
19	A-DLoG	AAU	3	Sales	51	Normal	-
		ADL (AFR)	3	Payables to related parties	798	30 days upon delivery	-
		AEU	3	Purchase	11,542	Normal	-
		AEU	3	Sales	1,382	Normal	-
		AEU	3	Receivables from related parties	111	30 days upon delivery	-
		AJP	3	Sales	157	Normal	-
		ASG	3	Sales	11	Normal	-
		Advantech Co., Ltd.	2	Other expense	4,170	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	4,522	30 days after invoice date	-
		Advantech Co., Ltd.	2	Receivables from related parties	5,654	30 days after invoice date	-
		Advantech Co., Ltd.	2	Purchase	32,864	Normal	-
		Advantech Co., Ltd.	2	Sales	29,216	Normal	-
20	AKR	ANA	3	Sales	11	Normal	-
		ANA	3	Receivables from related parties	11	45 days EOM	-
21	Cermate Technologies Inc. (Shenzhen)	AKMC	3	Sales	24,283	Normal	-
		AKMC	3	Receivables from related parties	1,205	40 days EOM	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Cermate Technologies Inc.	3	Purchase	$ 56,980	Normal	-
		Cermate Technologies Inc.	3	Payables to related parties	15,685	30 days EOM	-
		Cermate Technologies Inc.	3	Sales	15,690	Normal	-
		Cermate Technologies Inc.	3	Receivables from related parties	1,767	60 days EOM	-
		Cermate Technologies Inc. (Shanghai)	3	Sales	17,744	Normal	-
		Cermate Technologies Inc. (Shanghai)	3	Purchase	237	Normal	-
22	Cermate Technologies Inc.	AKMC	3	Purchase	716	Normal	-
		AKMC	3	Payables to related parties	716	60 days EOM	-
		Advantech Co., Ltd.	2	Purchase	62	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	75	30 days EOM	-
		Advantech Co., Ltd.	2	Other expense	540	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	1,200	30 days EOM	-
		Advantech Co., Ltd.	2	Sales	4,615	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Receivables from related parties	15,685	30 days EOM	-
		Cermate Technologies Inc. (Shenzhen)	3	Sales	56,980	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Purchase	15,690	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Payables to related parties	1,767	60 days EOM	-
23	Cermate Technologies Inc. (Shenzhen)	Cermate Technologies Inc. (Shenzhen)	3	Purchase	17,744	Normal	-
		Cermate Technologies Inc. (Shenzhen)	3	Sales	237	Normal	-
24	Advansus Corp.	ACA	3	Purchase	351,271	Normal	2
		ACA	3	Sales	164,901	Normal	1
		ACA	3	Payables to related parties	47,661	45 days EOM	-
		ACA	3	Receivables from related parties	22,655	30 days EOM	-
		AKMC	3	Sales	515,952	Normal	2
		AKMC	3	Receivables from related parties	134,867	60-90 days	1
		AKMC	3	Payables to related parties	634	immediate payment	-
		AKMC	3	Purchase	10,517	Normal	-
		AKR	3	Sales	98,465	Normal	-
		AKR	3	Receivables from related parties	36,182	60-90 days	-
		ANA	3	Sales	61	Normal	-
		Advantech Co., Ltd.	2	Rental revenue	85	Normal	-
		Advantech Co., Ltd.	2	Rental expense	45	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	11,165	60-90 days	-
		Advantech Co., Ltd.	2	Purchase	25,526	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	139,436	60-90 days	1
		Advantech Co., Ltd.	2	Sales	435,814	Normal	2
		Netstar Technology Co., Ltd.	3	Sales	4	Normal	-
		AdvanPOS Technology Co., Ltd.	3	Receivables from related parties	4,174	60 days EOM	-
		AdvanPOS Technology Co., Ltd.	3	Purchase	4	Normal	-
		AdvanPOS Technology Co., Ltd.	3	Payables to related parties	4	60 days EOM	-
		AdvanPOS Technology Co., Ltd.	3	Sales	5,861	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
25	Netstar Technology Co., Ltd.	AiSC	3	Sales	$ 526	Normal	-
		AiSC	3	Receivables from related parties	520	30 days EOM	-
		AJP	3	Receivables from related parties	559	60 days EOM	-
		AJP	3	Sales	968	Normal	-
		AKMC	3	Purchase	154,095	Normal	1
		AKMC	3	Payables to related parties	19,418	Next 60 days EOM	-
		AKMC	3	Sales	1,078	Normal	-
		AKMC	3	Receivables from related parties	642	Next 60 days EOM	-
		ANA	3	Sales	207	Normal	-
		Advantech Co., Ltd.	2	Purchase	102	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	176	25th of every month	-
		Advantech Co., Ltd.	2	Other expense	720	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	15,072	60 days EOM	-
		Advantech Co., Ltd.	2	Sales	57,931	Normal	-
		Advansus Corp.	3	Purchase	4	Normal	-
26	AEU	ACN	3	Purchase	1,811	Normal	-
		ACN	3	Payables to related parties	481	30 days EOM	-
		ADL	3	Payables to related parties	14,619	30 days after invoice date	-
		ADL	3	Commission expense	62,694	Normal	-
		ADL (AFR)	3	Payables to related parties	8,727	30 days after invoice date	-
		ADL (AFR)	3	Commission expense	33,628	Normal	-
		ADL (AIT)	3	Commission expense	36,845	Normal	-
		ADL (AIT)	3	Payables to related parties	5,172	30 days after invoice date	-
		ADL (AUK)	3	Payables to related parties	2,246	30 days after invoice date	-
		ADL (AUK)	3	Royalty expense	1,693	Normal	-
		ADL (AUK)	3	Commission expense	11,459	Normal	-
		A-DLoG	3	Sales	11,542	Normal	-
		A-DLoG	3	Purchase	1,382	Normal	-
		A-DLoG	3	Payables to related parties	111	30 days upon delivery	-
		AEUH	3	Other payables to related parties	29,940	Financing	-
		AiSC	3	Purchase	108	Normal	-
		AKMC	3	Purchase	326	Normal	-
		AKMC	3	Payables to related parties	13	30 days after invoice date	-
		AKMC	3	Sales	87	Normal	-
		AKR	3	Sales	519	Normal	-
		ANA	3	Purchase	876	Normal	-
		ANA	3	Payables to related parties	41	60-90 days	-
		ANA	3	Sales	25,214	Normal	-
		APL	3	Payables to related parties	34,104	30 days after invoice date	-
		APL	3	Purchase	33,751	Normal	-
		APL	3	Sales	1,318	Normal	-
		APL	3	Commission expense	5,243	60 days EOM	-
		ASG	3	Purchase	69	Normal	-
		ASG	3	Payables to related parties	69	30 days EOM	-
		ASG	3	Sales	44	Normal	-
		AEUH	3	Interest expense	522	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Advantech Co., Ltd.	2	Sales	$ 1,485	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	229	30 days EOM	-
		Advantech Co., Ltd.	2	Other expense	10,937	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	788,280	30 days EOM	3
		Advantech Co., Ltd.	2	Purchase	1,729,184	Normal	8
27	AAC (HK)	AiSC	3	Payables to related parties	9,503	90 days	-
		Advantech Co., Ltd.	2	Payables to related parties	103	45 days EOM	-
		Advantech Co., Ltd.	2	Other revenue	4,144	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	355	45 days EOM	-
28	Hangzhou Advantofine Automation Co., Ltd.	ACN	3	Sales	893	Normal	-
		ACN	3	Receivables from related parties	535	60 days after invoice date	-
		ACN	3	Payables to related parties	2,135	60 days after invoice date	-
		AiSC	3	Payables to related parties	13,661	immediate payment	-
		AiSC	3	Purchase	30,462	Normal	-
		AKMC	3	Payables to related parties	47	Next 60 days EOM	-
		Advantech Co., Ltd.	2	Receivables from related parties	7	30 days EOM	-
29	Advantech Fund-A	Advantech Co., Ltd.	2	Rental expense	27	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	3	Normal	-
30	AIN	Advantech Co., Ltd.	2	Sales	420	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	604	60 days EOM	-
		Advantech Co., Ltd.	2	Purchase	11,422	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	14,307	60 days EOM	-
		Advantech Co., Ltd.	2	Other revenue	3,402	Normal	-
31	AID	ASG	3	Payables to related parties	1,289	30 days upon delivery	-
		ASG	3	Purchase	1,949	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	572	45 days after invoice date	-
		Advantech Co., Ltd.	2	Purchase	1,111	Normal	-
32	AiST	Advantech Co., Ltd.	2	Other expense	720	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	591	30 days EOM	-
		Advantech Co., Ltd.	2	Sales	2,794	Normal	-
		Advantech Co., Ltd	2	Payables to related parties	5,639	Normal	-
		Advantech Co., Ltd.	2	Purchase	31,233	Normal	-
33	AMX	Advantech Co., Ltd.	2	Other revenue	1,662	Normal	-
34	AdvanPOS Technology Co., Ltd.	AiSC	3	Sales	592	Normal	-
		AiSC	3	Receivables from related parties	592	30 days EOM	-
		AdvanPOS Technology Shanghai Co., Ltd.	3	Sales	3,697	Normal	-
		AdvanPOS Technology Shanghai Co., Ltd.	3	Other revenue	16	Normal	-
		AdvanPOS Technology Shanghai Co., Ltd.	3	Receivables from related parties	6,012	30 days after invoice date	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details (Note D)			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
		Advantech Co., Ltd.	2	Purchase	$ 1,944	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	3,951	60 days EOM	-
		Advansus Corp.	3	Sales	4	Normal	-
		Advansus Corp.	3	Purchase	5,861	Normal	-
		Advansus Corp.	3	Receivables from related parties	4	60 days EOM	-
		Advansus Corp.	3	Payables to related parties	4,174	60 days EOM	-
35	AdvanPOS Technology Shanghai Co., Ltd.	AdvanPOS Technology Co., Ltd.	3	Purchase	3,697	Normal	-
		AdvanPOS Technology Co., Ltd.	3	Other expense	16	Normal	-
		AdvanPOS Technology Co., Ltd.	3	Payables to related parties	6,012	30 days after invoice date	-
36	Better Auto	Famous Now	3	Receivables from related parties	109	60-90 days	-
		Dongguan Pou Yuen Digital Technology Co., Ltd.	3	Other receivables from related parties	36,522	Financing	-
		Advantech - LNC Technology Co., Ltd.	3	Payables to related parties	88,272	60-90 days	-
		Advantech - LNC Technology Co., Ltd.	3	Receivables from related parties	3,701	60-90 days	-
		Advantech - LNC Technology Co., Ltd.	3	Purchase	16,943	Normal	-
37	Famous Now	Better Auto	3	Payables to related parties	109	60-90 days	-
38	Dongguan Pou Yuen Digital Technology Co., Ltd.	Better Auto	3	Other payables to related parties	36,522	Financing	-
		Advantech - LNC Technology Co., Ltd.	3	Receivables from related parties	3,688	60-90 days	-
		Advantech - LNC Technology Co., Ltd.	3	Other expense	5,055	Normal	-
		Advantech - LNC Technology Co., Ltd.	3	Royalty expense	69	Normal	-
		Advantech - LNC Technology Co., Ltd.	3	Prepayment to related parties	299	Normal	-

Note A: The Parent Company and its subsidiaries are numbered as follows:

1. "0" for Advantech Co., Ltd.
2. Subsidiaries are numbered from "1".

Note B: The flow of related-party transactions is as follows:

1. From the Parent Company to its subsidiary.
2. From the subsidiary to its Parent Company.
3. Between subsidiaries.

Note C: For assets and liabilities, amounts are shown as a percentage to consolidated total assets as of September 30, 2013, while revenues, costs and expenses are shown as a percentage to consolidated total operating revenues for the nine months ended September 30, 2013.

Note D: All intercompany transactions have been eliminated from consolidation.

(Concluded)