

Stock Code
2317

HON HAI PRECISION INDUSTRY CO., LTD.

2015 Annual General Shareholders' Meeting

Meeting Handbook

June 25, 2015

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2015 ANNUAL SHAREHOLDERS' MEETING (THE "AGENDA") OF HON HAI PRECISION INDUSTRY CO., LTD. (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Hon Hai Precision Industry Co., Ltd.

2015 Annual Shareholders' Meeting

Meeting Procedure

Time of Meeting: June 25, 2015 (Thursday) at 9:00 am

Location of Meeting: No.2 Zihyou Street, 5th Floor
Tucheng Industrial Park,
Tucheng Dist., New Taipei City, Taiwan

- I. Report the total number of shares represented at this AGM
- II. Meeting Commencement Announced
- III. Chairman's Address
- IV. Report Items
- V. Ratification and Discussion Items
- VI. Extraordinary Motions
- VII. Meeting Adjournment

Hon Hai Precision Industry Co., Ltd.
2015 Annual Shareholders' Meeting

Agenda

- I. Chairman to announce the commencement of meeting.
- II. Chairman's report.
 - (1) To report business of 2014.
 - (2) Statutory Auditors' review of 2014 audited financial statements.
 - (3) Status Report of Company's indirect investment in Mainland China.
 - (4) Status Report of domestic corporate bond issuance.
- III. Ratification and Discussion Items:
 - (1) Ratification of the 2014 Business Report and Audited Financial Statements.
 - (2) Ratification of the proposal for distribution of 2014 profits.
 - (3) Discussion to approve the issuance of new shares for capital increase by earnings re-capitalization.
 - (4) Discussion of amendments to the Company's "Operational Procedures for Derivatives Trading."
 - (5) Discussion of amendments to the Company's "Articles of Incorporation."
 - (6) Discussion of amendments to the Company's "Regulations Governing the Election of Directors and Supervisors."
- IV. Extraordinary Motions
- V. Adjournment

Report Items

Item One:

Report of the Company's 2014 Business Operation and Financial Statements.

Description:

1. Please refer to Attachment 1 for detailed Business Operation Reports (Pages 20-21).
2. Please refer to Attachment 3 for detailed financial statements (Pages 24-33).

Item Two:

Statutory Auditors' reports and the audited financial statements for the year ended December 31, 2014.

Please review.

Description:

Please refer to Supervisors Report and financial statements (Attachment 2 (Pages 2-23) and Attachment 3 (Pages 24-33)).

Item Three:

Report of the Company's new indirect investments in Mainland China during 2014.

Description:

The new 2014 investments in Mainland China made via overseas subsidiaries are as follows:

Approval Certificate #	Company Name	Amount Approved (US\$)
10300016330	101 On-Line Education Technology Co., Ltd.	3,600,000
10300007510	Guizhou Funayuanchuang Technology Co., Ltd.	41,000,000
10200480940	Fu Bo Industry (Shenzhen) Co., Ltd.	5,885,745
10200497910	Chongqing Hongteng Technology Co., Ltd.	5,000,000
10300094580	Kunshan Eson Precision Engineering Co., Ltd.	2,965,200
10300094590	Antai Zheng Yi Precision Precision Electronics Co., Ltd.	2,223,900
10300094600	FuGuiKang Precision Electronics (GuiZhou) Co., Ltd.	20,000,000
10300094610	Qing Ding Precision Electronics (Huai An) Co., Ltd.	13,648,800
10300094620	Yu Ding Precision Electronics (Huai An) Co., Ltd.	13,648,800
10300096320	You Er Materials technology (Shenzhen) Co., Ltd.	15,000,000
10300096330	Foxnum Technology (Zheng Zhou) Co., Ltd.	15,000,000
10300096340	Jin Ji Full Precision Machinery (Shenzhen) Co., Ltd.	15,000,000
10300096350	Foxnum Technology (Ji Yuan) Co., Ltd.	15,000,000
10300096360	Jin Ji Trading (LinYi) Co., Ltd.	42,000,000
10300096370	Fu Jiang Robot Technology (Shen Zhen) Co., Ltd.	15,000,000
10300096380	Fu Jiang Robot Technology (Shen Zhen) Co., Ltd.	15,000,000
10300134660	Shangqiu Jinzhenyuan Electronic Technology Co., Ltd.	4,210,000
10300091760	FuTaiKang Electronice Development (Yan Tai) Co., Ltd.	30,000,000
10300148770	Smart Time Techonologies (TianJin) Limited	10,000,000
10300168760	Zhengzhou JingJi Precision Machinery Trade Co., Ltd.	2,746,547
10300148730	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	300,000,000
10300148760	Hongfujin Precision Electronics (Chengd) Co., Ltd.	300,000,000
10300236810	Chengdou Fertile Plan Logistics Co., Ltd.	2,103,896
10300249200	Chongqing Yuanchuang Technology & Research Industrial Development Co., Ltd.	16,342,181
10300258190	Jia Rui financial leasing (Shanghai) Co., Ltd.	7,500,000
10300279220	Kunshan Nano New Material Technology Co., Ltd.	2,000,000
10300279230	Shenzhen Dragon Technology Co., Ltd.	654,890
10300305370	Wuxi Xinguan Metal Science And Technology Co., Ltd.	2,223,900
10300312020	Fushirui Precision Industry (Jiyuan) Co., Ltd.	700,000

Item Four:

Status report of domestic corporate bond issuance.

Description:

1. To fulfill the repayment of short-term debt, the Company, after obtaining the approval from Authority dated April 18, 2014 of total amount of NT\$12 billion second domestic unsecured corporate bond in 2014.

(1) The Company issued unsecured corporate bond on May 21, 2014, conditions of issue:

- (a) Total Amount of Issue: Coupon A: NT\$2.85 billion, Coupon B: NT\$1.6 billion, Coupon C: NT\$3.35 billion, Coupon D: NT\$4.2 billion.
- (b) Issue Period: Coupon A: 2014.5.21 to 2017.5.21, Coupon B: 2014.5.21 to 2019.5.21, Coupon C: 2014.5.21 to 2021.5.21, Coupon D: 2014.5.21 to 2024.5.21.
- (c) Face Value: NT\$1,000,000
- (d) Issue Price: NT\$100 (At Par)
- (e) Issue Coupon/Interest Rate: fixed interest rate at Coupon A: 1.17%, Coupon B: 1.37%, Coupon C: 1.70%, Coupon D: 1.95% per annum
- (f) Repayment of Principal: 100% principal repayment upon maturity.
- (g) Distribution of Interest: Since the issuing date, based on the coupon rate distributing interest once a year with simple interest-bearing.
- (h) The Trustee: SinoPac Bank Co., Ltd.
- (i) Debt Service Agency: The central downtown branch of the SinoPac Bank.

(2) The Company's domestic unsecured corporate bonds traded in GreTai Securities Market since the issuing date.

(3) Abovementioned amount of fund raising was fully executed in Q2 2014.

2. To fulfill the repayment of short-term debt, the Company, after obtaining the approval from Authority dated June 5, 2014 of total amount of NT\$12 billion third domestic unsecured corporate bond in 2014.

(1) The Company issued unsecured corporate bond on July 8, 2014, conditions of issue:

- (a) Total Amount of Issue: Coupon A: NT\$6.0 billion, Coupon B: NT\$6.0 billion.
- (b) Issue Period: Coupon A: 2014.7.8 to 2021.7.8, Coupon B: 2014.7.8 to 2024.7.8.

- (c) Face Value: NT\$1,000,000
 - (d) Issue Price: NT\$100 (At Par)
 - (e) Issue Coupon/Interest Rate: fixed interest rate at Coupon A: 1.70%, Coupon B: 1.95% per annum
 - (f) Repayment of Principal: 100% principal repayment upon maturity.
 - (g) Distribution of Interest: Since the issuing date, based on the coupon rate distributing interest once a year with simple interest-bearing.
 - (h) The Trustee: SinoPac Bank Co., Ltd.
 - (i) Debt Service Agency: The central downtown branch of the SinoPac Bank.
- (2) The Company's domestic unsecured corporate bonds traded in GreTai Securities Market since the issuing date.
- (3) Abovementioned amount of fund raising was fully executed in Q3 2014.
3. To fulfill the repayment of short-term debt, the Company, after obtaining the approval from Authority dated September 3, 2014 of total amount of NT\$9.2 billion fourth domestic unsecured corporate bond in 2014.
- (1) The Company issued unsecured corporate bond on October 8, 2014, conditions of issue:
- (a) Total Amount of Issue: Coupon A: NT\$2.2 billion, Coupon B: NT\$1.4 billion, Coupon C: NT\$3.2 billion, Coupon D: NT\$2.2 billion, Coupon E: NT\$0.2 billion
 - (b) Issue Period: Coupon A: 2014.10.8 to 2018.4.8, Coupon B: 2014.10.8 to 2019.10.8, Coupon C: 2014.10.8 to 2021.10.8, Coupon D: 2014.10.8 to 2024.10.8, Coupon E: 2014.10.8 to 2026.10.8.
 - (c) Face Value: NT\$1,000,000
 - (d) Issue Price: NT\$100 (At Par)
 - (e) Issue Coupon/Interest Rate: fixed interest rate at Coupon A: 1.25%, Coupon B: 1.45%, Coupon C: 1.80%, Coupon D: 2.02%, Coupon E: 2.15% per annum.
 - (f) Repayment of Principal: 100% principal repayment upon maturity.
 - (g) Distribution of Interest: Since the issuing date, based on the coupon rate distributing interest once a year with simple interest-bearing.
 - (h) The Trustee: SinoPac Bank Co., Ltd.
 - (i) Debt Service Agency: The central downtown branch of the SinoPac Bank.

- (2) The Company's domestic unsecured corporate bonds traded in GreTai Securities Market since the issuing date.
 - (3) Abovementioned amount of fund raising was fully executed in Q4 2014.
4. To fulfill the repayment of short-term debt, the Company, after obtaining the approval from Authority dated November 14, 2014 of total amount of NT\$7.15 billion fifth domestic unsecured corporate bond in 2014.
- (1) The Company issued unsecured corporate bond on January 14, 2015, conditions of issue:
 - (a) Total Amount of Issue: Coupon A: NT\$2.75 billion, Coupon B: NT\$1.6 billion, Coupon C: NT\$2.8 billion.
 - (b) Issue Period: Coupon A: 2015.1.14 to 2018.1.14, Coupon B: 2015.1.14 to 2020.1.14, Coupon C: 2015.1.14 to 2022.1.14.
 - (c) Face Value: NT\$1,000,000
 - (d) Issue Price: NT\$100 (At Par)
 - (e) Issue Coupon/Interest Rate: fixed interest rate at Coupon A:1.23%, Coupon B: 1.45%, Coupon C: 1.80% per annum.
 - (f) Repayment of Principal: 100% principal repayment upon maturity.
 - (g) Distribution of Interest: Since the issuing date, based on the coupon rate distributing interest once a year with simple interest-bearing.
 - (h) The Trustee: SinoPac Bank Co., Ltd.
 - (i) Debt Service Agency: The central downtown branch of the SinoPac Bank.
 - (2) The Company's domestic unsecured corporate bonds traded in GreTai Securities Market since the issuing date.
 - (3) Abovementioned amount of fund raising was fully executed in Q1 2015.
5. To fulfill the repayment of short-term debt, the Company, after obtaining the approval from Authority dated January 12, 2015 of total amount of NT\$7.65 billion first domestic unsecured corporate bond in 2015.
- (1) The Company issued unsecured corporate bond on April 14, 2015, conditions of issue:
 - (a) Total Amount of Issue: Coupon A: NT\$0.1 billion, Coupon B: NT\$4.15 billion, Coupon C: NT\$0.1 billion, Coupon D: NT\$2.3 billion, Coupon E: NT\$1.0 billion.

- (b) Issue Period: Coupon A: 2015.4.14 to 2017.4.14, Coupon B: 2015.4.14 to 2018.4.14, Coupon C: 2015.4.14 to 2019.4.14, Coupon D: 2015.4.14 to 2020.4.14, Coupon E: 2015.4.14 to 2022.4.14.
 - (c) Face Value: NT\$1,000,000
 - (d) Issue Price: NT\$100 (At Par)
 - (e) Issue Coupon/Interest Rate: fixed interest rate at Coupon A:1.10%, Coupon B: 1.23%, Coupon C: 1.34%, Coupon D: 1.44%, Coupon E: 1.75% per annum
 - (f) Repayment of Principal: 100% principal repayment upon maturity.
 - (g) Distribution of Interest: Since the issuing date, based on the coupon rate distributing interest once a year with simple interest-bearing.
 - (h) The Trustee: SinoPac Bank Co., Ltd.
 - (i) Debt Service Agency: The central downtown branch of the SinoPac Bank.
- (2) The Company's domestic unsecured corporate bonds have traded on the GreTai Securities Market since the issuing date.
- (3) Abovementioned amount of fund raising was fully executed in Q2 2015.

Ratification, Discussion and Election Items

Proposal 1: Ratification of the 2014 Business Report and Audited Financial Statements.

Please ratify.

(Proposed by the Board of Directors.)

Description:

1. The 2014 Business Report and Financial Statements of the Company have been approved by the Board, and have also been reviewed and audited by the Supervisors.
2. Please refer to Attachment 1 through Attachment 3 for the documents mentioned above (Pages 20-33).

Resolution:

Proposal 2: Ratification of 2014 earnings distribution.

Please Ratify.

(Proposed by the Board of Directors.)

Description:

1. The 2014 profit distribution program of the Company has been submitted by Board, in accordance with Company Act and the Articles of Incorporation of the Company, as follows.
2. The Company's net profit after taxes for 2014 was NT\$130,534,729,339 by deducting the set aside legal reserve of NT\$13,053,472,934 and adding the accumulated un-appropriated earnings at beginning of period amounted NT\$417,367,589,021, but deducting 2014 retained earnings adjustment of NT\$969,795,370, the available earnings at end of the period is equal to NT\$533,879,050,056, the Company plans to distribute dividends of NT\$63,611,649,520 to shareholders. The abovementioned dividend will be distributed first from 2014 earnings.
3. The cash dividend distribution will be calculated to the nearest NT dollar, the remainder will be transferred into the "Employee Welfare Committee" account.
4. Subject to the approval of the regular shareholders' meeting, the ex-dividend date for the cash and stock dividend distributions would be decided by Board.
5. If the number of total shares outstanding, prior to the ex-dividend date for the distribution, has changed due to the repurchasing of shares by the Company, or the transfer of treasury shares to employees, or the conversion of shares from domestic convertible bonds, etc., such that the ratios of the stock dividends and cash dividends are affected and must be adjusted, the Board is authorized to make such adjustments.

Resolution:

Hon Hai Precision Industry Co., Ltd.
2014 Earnings Allocation Table

Unit: NTD

Items	Amount	Note
2014 Net profits after taxes for the year	130,534,729,339	
Less: Appropriated as legal capital reserve (10%)	13,053,472,934	
2014 Available for appropriation of earnings for the year	117,481,256,405	
Add: Accumulated un-appropriated earnings	417,367,589,021	
Less: 2014 retained earnings adjustment	969,795,370	
2014 Available for appropriation of earnings	533,879,050,056	
Allocation Items		
Stock Dividends to Shareholders	7,396,703,440	Stock dividend NT\$0.5 per share
Cash Dividends to Shareholders	56,214,946,080	Cash dividend NT\$3.8 per share
Un-appropriated earnings	470,267,400,536	
Notes:		
Employee bonus	9,398,500,512	
Compensation of Directors and Supervisors	0	

President: Terry Gou (Gou Tai-ming)

CEO: Terry Gou (Gou Tai-ming)

Accounting Manager: Chou, Joung Kai

Proposal 3: Proposal to approve the issuance of new shares for capital increase by earnings re-capitalization.

Please review and discuss.

(Proposed by the Board of Directors.)

Description:

In order to expand manufacturing capacity, it is proposed to increase capital from retained earnings and issue new shares for employees' bonus.

1. Capital increase from retained earnings:

In consideration of the needs of the Company's future business development, it is proposed to increase capital from 2014 retained earnings as well as to issue new shares for employees' bonus. Appropriated from shareholders' bonus of NT\$7,396,703,440 to issue 739,670,344 new shares; while employees' bonus of NT\$9,398,500,512.

2. The conditions of the new share issuance:

(1) According to the proposed capital increase plan, 50 common shares will be distributed for every 1,000 common shares for free, except for the part of employees' stock bonus, recorded in the shareholders' books and calculated as their shares held on the ex-dividend date. Allotment of fractional shares (less than one share) shall be paid in cash, and the Chairman or his designated representative may subscribe at par value. Actual placement and number of shares will depend on the number of registered shareholders on the ex-rights date.

(2) The total number of shares issued to employees will be calculated based on the closing price of the day prior to the day of the shareholders' meeting as well as the impact of ex-dividend. The distribution of less than one full share will be paid in cash.

(3) The new shares issued by the capital increase will carry the same rights and obligations as the current outstanding shares.

(4) The distribution of employees' bonus will be in accordance with the employees' bonus policy of the Company.

(5) The ex-dividend date will be decided by the Board of Directors meeting after approval by the competent authority.

(6) If the number of total shares outstanding, prior to the ex-dividend date for the distribution, has changed due to the repurchasing of shares by the Company, or the transfer of treasury shares to employees, or the conversion of shares from domestic convertible bonds, etc., such that the ratios of the stock dividends and cash dividends are affected and must be adjusted, the Board is authorized to make such adjustments.

- (7) The Board is authorized to make any necessary amendments to the capital increase plan due to the needs of actual practices or by the instructions of the competent authority.

Resolution:

Proposal 4: Discussion of amendments to the Company’s “Operational Procedures for Derivative Trading.”

(Proposed by the Board of Directors)

Description:

In accordance with the laws and regulations, the proposed amendments to the Company’s “Operational Procedures for Derivative Trading” are shown in a comparison table on Attachment 4 (Pages 34-35).

Resolution:

Proposal 5: Discussion of amendments to the Company’s “Articles of Incorporation.”

(Proposed by the Board of Directors.)

Description:

In accordance with the requirements of relevant regulations to set up the Company’s Audit Committee beginning in 2016, the proposed amendments to the Company’s “Articles of Incorporation” are shown in a comparison table on Attachment 5 (Pages 36-37).

Resolution:

Proposal 6: Discussion of amendments to the Company’s “Regulations Governing the Election of Directors and Supervisors.”

(Proposed by the Board of Directors.)

Description:

In accordance with the requirements of relevant regulations to set up the Company’s Audit Committee beginning in 2016, the proposed amendments to the Company’s “Regulations Governing the Election of Directors and Supervisors” are shown in a comparison table on Attachment 6 (Pages 38).

Resolution:

Other Business or Special Motions

Meeting Adjournment

Attachments

Attachment 1: 2014 Business Report

The business of 2014 is reported as follows:

1. The operating results of 2014 are described as below:

The Company has delivered another excellent performance, and another record year in revenue and net profit. The consolidated net revenue of 2014 was NT\$3.404 trillion, compared with NT\$3.263 trillion in 2013, an increase of NT\$140.621 billion, a 4.31% year-over-year growth. The consolidated net operating income of 2014 was NT\$4.213 trillion, compared with NT\$3.952 trillion in 2013, an increase of NT\$260.855 billion, a 6.60% year-over-year growth. The net profit was NT\$130.535 billion in 2014, compared with NT\$106.697 billion in 2013, for a 22.34% year-over-year increase.

2. 2014 Review and 2015 Outlook

Over the past year, the global political and economic situation has been very dynamic, while technology industries continue to be shuffled and ranked up and down. Hon Hai in such a tough environment can still pay out bright operating results. We would like to thank all our shareholders, customers, and suppliers for their full and seamless support of the Company.

In reviewing 2014, the global economic environment presented a slow recovery and our individual region is showing differentiated development. According to the survey conducted by International Monetary Fund (IMF), the global economy grew slightly by 3.3% in 2014 and only the U.S. recovery trend was significant. The Eurozone faced debt and unemployment problems, Japan was affected by the consumer tax hike, high public debt and other issues, and the economic growth rate of China and other emerging markets slowed down compared to past years. In the meantime, the technology industry is undergoing a structural, technical, and business model change, global competition breaks the national borders, and the traditional definitions of the boundaries of hardware and software have become more indistinct. Faced with accelerating changes in the industrial environment, our Company is not only continuing to strengthen research and development, but also expecting to remain competitive and create higher added value in the ecosystem war through acquisitions or strategic alliances for hardware and software. In such a highly competitive environment, our Company is still in a stable development stage and continues to be recognized externally, being ranked 32nd last year according to the U.S. Fortune “Global 500” ranking report. We have continued to strengthen our technical development, obtaining 1,537 U.S. patents in 2014, ranked 18th highest in the world.

Looking into the new year, according to the IMF survey, the growth of the world’s major economies is slowing down, though the U.S. economy will continue to be strong. The global environment is still full of uncertainties, including the possibility that the U.S. Federal Reserve may raise interest rates, the Eurozone deflation haze, low oil prices and other circumstances, will make this year even more challenging. In the meantime, the digital

convergence powered by 4G telecommunication technologies is rapidly flipping the entire industry outlook; the maturation of sensing, computing, transmission and storage technologies is promoting the overall development of the Internet of Things, allowing Big Data and its analysis to be made more efficiently, thus leading to intelligent life as the core of the new era of the “Internet +,” which will also lead to more business model innovations through rich internet-connection thinking. In addition to the more humanized technological developments, the market will be more segmented and the value of “services” will play a more important role in the competition and be the key to victory in the increasingly intense war of ecosystems.

Our Company has recruited and kept the top talent from a variety of backgrounds over the past years. We have built core competencies in the fields of information and communication technology, precision machinery, optoelectronics, materials, automation equipment, software, e-commerce, etc. and to build up an “Integration, Innovation, Design, Manufacture - Sales, Marketing” (IIDM-SM) technology manufacturing and services platform. The Hon Hai Group will continue to break free from the traditional framework of innovative thinking and move forward to technology services and e-commerce transformation. In this way, we will be able to form a more comprehensive link to end-user markets, and utilize Internet of Things technology for generating Big Data to understand and forecast end-users’ demands, to improve the production process in order to achieve the “Industry 4.0” Smart Manufacturing Paradigm. Faced with the rapid changes of the industrial environment and the world moving towards an aging population, the focus of the Hon Hai Group’s future development and core concepts will cover “Cloud Computing”, “Mobile Devices”, “Internet of Things (IoT)”, “Big Data”, “Smart Lives”, and “Networks”, and utilize “Smart Robots” to help improve quality of life and to promote human welfare. We believe these major areas will be an inevitable future. We will continue to strengthen our expertise and create greater values for our shareholders.

President: Terry Gou (Gou Tai-ming)

CEO: Terry Gou (Gou Tai-ming)

Accounting Manager: Chou, Joung Kai

Attachment 2: Audit Report by Supervisors

The Board reports the financial statement, business report, and earnings distribution proposal of 2014, and financial statement have been audited by PricewaterhouseCoopers Taiwan. The financial statements, business report and earnings distribution proposal have been audited by us as Supervisors of the Company. We deem no inappropriateness on these documents. Pursuant to Article 219 of the Company Act, we hereby present the audited report. Please review.

Submitted to:

2015 Regular Shareholders' Meeting of the Company

Hon Hai Precision Ind. Co., Ltd.

Supervisor: Wan, Jui-hsia

On the Date of May 15, 2015

Audit Report by Supervisors

The Board reports the financial statement, business report, and earnings distribution proposal of 2014, and financial statement have been audited by PricewaterhouseCoopers Taiwan. The financial statements, business report and earnings distribution proposal have been audited by us as Supervisors of the Company. We deem no inappropriateness on these documents. Pursuant to Article 219 of the Company Act, we hereby present the audited report. Please review.

Submitted to:

2015 Regular Shareholders' Meeting of the Company

Hon Hai Precision Ind. Co., Ltd.

Supervisor: Fu-Rui International Investment Co., Ltd.

Representative: Cho, Min-Chi

On the Date of May 15, 2015

Attachment 3: Financial Statements

**HON HAI PRECISION INDUSTRY CO., LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT ACCOUNTANTS
DECEMBER 31, 2014 AND 2013**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To The Board of Directors and Stockholders
Hon Hai Precision Industry Co., Ltd.

We have audited the accompanying consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NT\$206,004,889,000 and NT\$165,841,382,000, constituting 8.36% and 7.17% of the consolidated total assets as of December 31, 2014 and 2013, respectively, and total operating revenues of NT\$205,240,782,000 and NT\$158,844,046,000, constituting 4.87% and 4.02% of the consolidated total operating revenues for the years then ended, respectively. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts and the information disclosed in Note 13, is based solely on the reports of the other independent accountants.

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

In our opinion, based on our audits and the reports of other independent accountants, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Hon Hai Precision Industry Co., Ltd. and subsidiaries as of December 31, 2014 and 2013, and their financial performance and cash flows for the years then ended, in conformity with the "Rules Governing the Preparations of Financial Statements by Securities Issuers" and the International

Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the parent company only financial statements of Hon Hai Precision Industry Co., Ltd. as of and for the years ended December 31, 2014 and 2013, on which we have expressed a modified unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan
March 30, 2015

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets	Notes	2014		2013		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 679,037,301	28	\$ 694,027,045	30
1110	Financial assets at fair value through profit or loss - current	6(2)	3,438,255	-	1,198,112	-
1125	Available-for-sale financial assets - current	6(3)	1,035,704	-	1,087,171	-
1170	Accounts receivable, net	6(4)	748,286,815	30	727,761,542	31
1180	Accounts receivable - related parties	7	24,093,966	1	19,948,258	1
1200	Other receivables	6(5) and 7	45,923,820	2	40,215,354	2
130X	Inventory	6(6)	369,196,813	15	312,785,092	14
1410	Prepayments		10,413,141	-	6,393,753	-
1460	Non-current assets held for sale - net	6(7)	9,902,089	-	-	-
1470	Other current assets	6(8) and 8	41,093,451	2	5,165,161	-
11XX	Total current assets		<u>1,932,421,355</u>	<u>78</u>	<u>1,808,581,488</u>	<u>78</u>
Non-current assets						
1523	Available-for-sale financial assets - non-current	6(3)	52,792,228	2	11,854,684	1
1543	Financial assets carried at cost - non-current	6(9)	5,792,900	-	10,843,376	-
1550	Investments accounted for under equity method	6(10)	63,412,270	3	46,282,999	2
1600	Property, plant and equipment	6(11)	358,868,558	15	379,561,941	16
1760	Investment property - net	6(12)	3,164,666	-	2,304,839	-
1780	Intangible assets	6(13)	4,440,091	-	12,815,278	1
1840	Deferred income tax assets	6(36)	17,376,159	1	15,837,041	1
1900	Other non-current assets	6(14) and 8	24,446,522	1	24,379,557	1
15XX	Total non-current assets		<u>530,293,394</u>	<u>22</u>	<u>503,879,715</u>	<u>22</u>
1XXX	Total assets		<u>\$ 2,462,714,749</u>	<u>100</u>	<u>\$ 2,312,461,203</u>	<u>100</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity	Notes	2014		2013		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term loans	6(15)	\$ 226,500,507	9	\$ 366,233,601	16
2110	Short-term notes and bills payable	6(16)	-	-	19,982,517	1
2120	Financial liabilities at fair value through profit or loss - current	6(2)	1,271,012	-	39,946	-
2170	Accounts payable		694,315,259	28	682,942,409	30
2180	Accounts payable - related parties	7	41,014,601	2	29,761,739	1
2200	Other payables	6(17)	223,575,519	9	191,175,178	8
2230	Current income tax liabilities	6(36)	31,690,222	2	24,158,478	1
2250	Provisions for liabilities - current	6(24)	2,674,879	-	2,406,336	-
2260	Liabilities directly related to non-current assets held for sale	6(7)	2,054,833	-	-	-
2300	Other current liabilities	6(18)	79,504,965	3	42,260,567	2
21XX	Total current liabilities		<u>1,302,601,797</u>	<u>53</u>	<u>1,358,960,771</u>	<u>59</u>
Non-current liabilities						
2530	Corporate bonds payable	6(19)	134,644,413	6	97,054,788	4
2540	Long-term loans	6(20)	24,197,727	1	35,108,728	2
2570	Deferred income tax liabilities	6(36)	7,089,517	-	6,218,103	-
2600	Other non-current liabilities	6(23)	9,504,493	-	9,194,211	-
25XX	Total non-current liabilities		<u>175,436,150</u>	<u>7</u>	<u>147,575,830</u>	<u>6</u>
2XXX	Total liabilities		<u>1,478,037,947</u>	<u>60</u>	<u>1,506,536,601</u>	<u>65</u>
Equity						
Equity attributable to owners of parent						
Share capital						
3110	Share capital - common stock	6(25)	147,934,068	6	131,287,068	6
Capital surplus						
3200	Capital surplus	6(26)	71,659,908	3	64,792,873	3
Retained earnings						
3310	Legal reserve	6(27)	80,126,455	3	69,456,739	3
3350	Undistributed earnings		546,932,523	22	467,423,426	20
Other equity interest						
3400	Other equity interest	6(28)	83,597,180	4	31,728,861	1
3500	Treasury stocks	6(25)	(18,901)	-	(18,901)	-
31XX	Equity attributable to owners of the parent		<u>930,231,233</u>	<u>38</u>	<u>764,670,066</u>	<u>33</u>
36XX	Non-controlling interest	6(29)	<u>54,445,569</u>	<u>2</u>	<u>41,254,536</u>	<u>2</u>
3XXX	Total equity		<u>984,676,802</u>	<u>40</u>	<u>805,924,602</u>	<u>35</u>
Commitments and contingent liabilities						
		9				
Subsequent events						
		11				
	Total liabilities and equity		<u>\$ 2,462,714,749</u>	<u>100</u>	<u>\$ 2,312,461,203</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2015.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Items	Notes	2014		2013	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(30) and 7	\$ 4,213,172,321	100	\$ 3,952,317,540	100
5000 Operating costs	6(6)(33)(34) and 7	(3,921,228,465)	(93)	(3,697,623,039)	(93)
5900 Net operating margin		291,943,856	7	254,694,501	7
Operating expenses	6(33)(34) and 7				
6100 Selling expenses		(26,146,194)	(1)	(25,893,690)	(1)
6200 General and administrative expenses		(73,752,491)	(2)	(72,906,384)	(2)
6300 Research and development expenses		(48,853,760)	(1)	(46,580,031)	(1)
6000 Total operating expenses		(148,752,445)	(4)	(145,380,105)	(4)
6900 Operating profit		143,191,411	3	109,314,396	3
Non-operating income and expenses					
7010 Other income	6(31)	31,872,566	1	17,531,778	1
7020 Other gains and losses	6(32)	11,083,457	-	13,863,801	-
7050 Finance costs	6(4)(35)	(15,007,075)	-	(9,252,353)	-
7060 Share of profit of associates and joint ventures accounted for under equity method	6(10)	2,980,013	-	4,838,075	-
7000 Total non-operating income and expenses		30,928,961	1	26,981,301	1
7900 Profit before income tax		174,120,372	4	136,295,697	4
7950 Income tax expense	6(36)	(41,638,550)	(1)	(28,949,821)	(1)
8200 Profit for the year		\$ 132,481,822	3	\$ 107,345,876	3
Other comprehensive income					
8310 Financial statements translation differences of foreign operations	6(28)(29)	\$ 36,576,979	1	\$ 24,617,695	-
8325 Unrealized gain (loss) on valuation of available-for-sale financial assets	6(28)(29)	18,419,522	-	(1,002,017)	-
8360 Actuarial (loss) gain on defined benefit plan	6(21)	(39,784)	-	980	-
8370 Share of other comprehensive income of associates and joint ventures accounted for under equity method	6(28)	606,016	-	918,220	-
8399 Income tax relating to the components of other comprehensive income	6(36)	6,763	-	(167)	-
8300 Other comprehensive income for the year		\$ 55,569,496	1	\$ 24,534,711	-
8500 Total comprehensive income for the year		\$ 188,051,318	4	\$ 131,880,587	3
Profit attributable to:					
8610 Owners of the parent		\$ 130,534,729	3	\$ 106,697,157	3
8620 Non-controlling interest		1,947,093	-	648,719	-
		\$ 132,481,822	3	\$ 107,345,876	3
Comprehensive income attributable to:					
8710 Owners of the parent		\$ 182,370,027	4	\$ 130,621,274	3
8720 Non-controlling interest		5,681,291	-	1,259,313	-
		\$ 188,051,318	4	\$ 131,880,587	3
Earnings per share (in dollars)	6(37)				
9750 Basic earnings per share		\$ 8.85		\$ 7.26	
9850 Diluted earnings per share		\$ 8.75		\$ 7.12	

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2015.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT AS OTHERWISE INDICATED)

Notes	Equity attributable to owners of the parent									Non-controlling interest	Amount
	Retained earnings					Other equity interest			Total		
	Share capital - common stock	Capital reserve	Legal reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on valuation of available-for-sale financial assets	Treasury stocks				
2013											
	Balance at January 1, 2013	\$ 118,358,665	\$ 58,932,078	\$ 59,980,502	\$ 399,791,359	\$ 1,370,511	\$ 6,435,046	(\$ 18,901)	\$ 644,849,260	\$ 36,064,490	\$ 680,913,750
	Appropriations of 2012 earnings (Note 1):										
	Legal reserve	6(27) -	-	9,476,237	(9,476,237)	-	-	-	-	-	-
	Cash dividends	6(27) -	-	-	(17,753,800)	-	-	-	(17,753,800)	-	(17,753,800)
	Stock dividends	6(27) 11,835,866	-	-	(11,835,866)	-	-	-	-	-	-
	Employees' stock bonus	6(25) 1,092,537	5,730,354	-	-	-	-	-	6,822,891	-	6,822,891
	Consolidated net income	-	-	-	106,697,157	-	-	-	106,697,157	648,719	107,345,876
	Other comprehensive income, net of income tax	6(28) -	-	-	813	25,062,436	(1,139,132)	-	23,924,117	610,594	24,534,711
	Changes in equity of associates and joint ventures accounted for under the equity method	-	112,116	-	-	-	-	-	112,116	-	112,116
	Adjustments arising from changes in percentage of ownership in subsidiaries	6(29) -	18,325	-	-	-	-	-	18,325	-	18,325
	Increase in non-controlling interests - subsidiaries	6(29) -	-	-	-	-	-	-	-	3,930,733	3,930,733
	Balance at December 31, 2013	<u>\$ 131,287,068</u>	<u>\$ 64,792,873</u>	<u>\$ 69,456,739</u>	<u>\$ 467,423,426</u>	<u>\$ 26,432,947</u>	<u>\$ 5,295,914</u>	<u>(\$ 18,901)</u>	<u>\$ 764,670,066</u>	<u>\$ 41,254,536</u>	<u>\$ 805,924,602</u>
2014											
	Balance at January 1, 2014	\$ 131,287,068	\$ 64,792,873	\$ 69,456,739	\$ 467,423,426	\$ 26,432,947	\$ 5,295,914	(\$ 18,901)	\$ 764,670,066	\$ 41,254,536	\$ 805,924,602
	Appropriations of 2013 earnings (Note 2):										
	Legal reserve	6(27) -	-	10,669,716	(10,669,716)	-	-	-	-	-	-
	Cash dividends	6(27) -	-	-	(23,631,672)	-	-	-	(23,631,672)	-	(23,631,672)
	Stock dividends	6(27) 15,754,448	-	-	(15,754,448)	-	-	-	-	-	-
	Employees' stock bonus	6(25) 892,552	6,789,643	-	-	-	-	-	7,682,195	-	7,682,195
	Consolidated net income	-	-	-	130,534,729	-	-	-	130,534,729	1,947,093	132,481,822
	Other comprehensive income, net of income tax	6(28) -	-	-	(33,021)	33,177,288	18,691,031	-	51,835,298	3,734,198	55,569,496
	Changes in equity of associates and joint ventures accounted for under the equity method	-	127,968	-	(12,462)	-	-	-	115,506	-	115,506
	Adjustments arising from changes in percentage of ownership in subsidiaries	6(29) -	(50,576)	-	(924,313)	-	-	-	(974,889)	-	(974,889)
	Increase in non-controlling interests - subsidiaries	6(29) -	-	-	-	-	-	-	-	7,509,742	7,509,742
	Balance at December 31, 2014	<u>\$ 147,934,068</u>	<u>\$ 71,659,908</u>	<u>\$ 80,126,455</u>	<u>\$ 546,932,523</u>	<u>\$ 59,610,235</u>	<u>\$ 23,986,945</u>	<u>(\$ 18,901)</u>	<u>\$ 930,231,233</u>	<u>\$ 54,445,569</u>	<u>\$ 984,676,802</u>

Note 1: Directors' and supervisors' remuneration amounting to \$0 and employees' bonus amounting to \$6,822,891 had been deducted from the consolidated statement of comprehensive income for 2012.
Note 2: Directors' and supervisors' remuneration amounting to \$0 and employees' bonus amounting to \$7,682,195 had been deducted from the consolidated statement of comprehensive income for 2013.

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2015.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2014	2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before tax for the year		\$ 174,120,372	\$ 136,295,697
Adjustments to reconcile net income to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(33)	69,402,883	72,686,853
Amortization	6(33)	828,967	926,373
Provision for doubtful accounts and sales discount		298,790	227,523
Impairment loss	6(32)	1,706,217	577,807
(Gain) loss on disposal of property, plant and equipment, net	6(32)	(565,745)	559,393
(Gain) loss on financial assets or liabilities at fair value through profit or loss, net	6(2)	(2,374,063)	311,994
Share of profit of associates and joint ventures accounted for under equity method		(2,980,013)	(4,838,075)
Gain on disposal of investments	6(32)	(3,010,171)	(1,427,121)
Interest expense	6(35)	14,861,301	9,117,464
Interest income	6(31)	(26,053,459)	(10,845,494)
Dividend income	6(31)	(676,006)	(419,216)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets held for trading		1,364,986	(1,411,995)
Notes receivable		(118,291)	(582,757)
Accounts receivable		(20,273,246)	(129,827,318)
Accounts receivable due from related parties		(4,145,708)	15,521,393
Other receivables		(5,024,877)	(1,707,015)
Inventories		(56,411,721)	37,097,551
Prepayments		(4,019,388)	1,253,288
Net changes in liabilities relating to operating activities			
Accounts payable		11,008,696	80,186,615
Accounts payable to related parties		11,252,862	(5,853,108)
Other payables		42,818,053	14,011,616
Provisions for liabilities - current		268,543	(1,057,944)
Other current liabilities		23,185,244	(11,180,975)
Accrued pension liabilities		5,720	(86,428)
Cash generated from operations		225,469,946	199,536,121
Income tax paid		(34,794,235)	(26,784,550)
Net cash provided by operating activities		<u>190,675,711</u>	<u>172,751,571</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2014	2013
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(39)	(\$ 27,565,013)	(\$ 44,395,165)
Increase in other financial assets		(35,926,990)	(3,394,991)
Acquisition of available-for-sale financial assets		(15,493,910)	(488,977)
(Increase) decrease in other non-current assets		(980,840)	830,897
Acquisition of investments accounted for under equity method		(14,047,766)	(1,408,714)
Acquisition of financial assets at cost		(1,173,338)	(2,060,666)
Acquisition of intangible assets	6(13)	(128,600)	(9,180,000)
Increase in land use right		(150,405)	(563,668)
Proceeds from disposal of financial assets carried at cost		475,330	456,764
Proceeds from disposal of available-for-sale financial assets		4,318,161	1,401,164
Proceeds from disposal of investments accounted for under equity method		181,120	2,436,170
Proceeds from disposal of property, plant and equipment		1,006,829	9,106,480
Other receivable due from related parties		(475,107)	-
Other investing activities		574,194	1,327,042
Interest received		25,844,433	10,475,314
Dividends received		1,615,892	1,552,262
Cash and cash equivalents reclassified to non-current assets held for sale	6(7)	(88,977)	-
Net cash flow from acquisition of subsidiaries	6(38)	(235,378)	-
Net cash used in investing activities		<u>(62,250,365)</u>	<u>(33,906,088)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term loans		(146,255,411)	54,232,791
(Decrease) increase in short-term notes and bills payable		(20,000,000)	11,990,920
Proceeds from issuing bonds		53,118,404	28,242,000
Repayments of bonds		(6,410,000)	(32,477,430)
Proceeds from long-term debt		1,338,490	17,761,410
Repayments of long-term debt		(8,110,433)	(26,877,214)
(Decrease) increase in other non-current liabilities		(266,032)	834,513
Cash dividends paid		(23,631,672)	(17,753,800)
Changes in non-controlling interests	6(29)	6,024,812	3,930,733
Interest paid		(14,026,640)	(8,188,197)
Net cash (used in) provided by financing activities		<u>(158,218,482)</u>	<u>31,695,726</u>
Net effect of changes in foreign currency exchange rates		<u>14,803,392</u>	<u>17,958,880</u>
(Decrease) increase in cash and cash equivalents		(14,989,744)	188,500,089
Cash and cash equivalents at beginning of year		<u>694,027,045</u>	<u>505,526,956</u>
Cash and cash equivalents at end of year		<u>\$ 679,037,301</u>	<u>\$ 694,027,045</u>

**Attachment 4: Operational Procedures for Derivative Trading Amendment
Comparison Table**

Original	Proposed Revision	Description
<p>Article 2: Statutory Basis</p> <p>I. Guidelines for Handling Acquisition and Disposal of Assets by Public Companies, Order No. 0910006105 of Taiwan Ministry of Finance (I) issued by Securities and Futures Management Committee of Ministry of Finance (hereinafter referred to as “SFMCMF”) on 10th December, 91st year of the Republic of China.</p> <p>II. FASB Statements No. 14- Accounting Standards for Foreign Currency Translation issued by the consortium as a juridical person - Financial Accounting Standards Board of Accounting Research and Development Foundation of Legal Body of Financial Group of the Republic of China on 10th December, 77th year of the Republic of China.</p> <p>III. Attentions for Matters That Should be Disclosed in the Financial Statement for Public Companies Dealing the Derivatives, Document No. 00263 of Taiwan Minister of Finance (VI) issued by Securities and Futures Management Committee of Ministry of Finance on 29th January, 85th year of the Republic of China.</p> <p>IV. FASB Statements No. 27- Accounting Management System on disclosing financial instruments issued by Financial Accounting Standards Board of Accounting Research and Development Foundation of Legal Body of Financial Group of the Republic of China on 20th June, 86th year of the Republic of China.</p>	<p>Article 2: Statutory Basis</p> <p>1. <u>“Regulations Governing the Acquisition and Disposal of Assets by Public Companies” issued by “Financial Supervisory Commission” order #1020053073 on December 30, 2013</u></p> <p>2. <u>“International Accounting Standard No. 39 “Financial Instruments: Recognition and Measurement” approved by “Financial Supervisory Commission” order #1030010325 on April 3, 2014</u></p> <p>3. <u>“International Accounting Standard No. 32 “Financial Instruments: Expression” approved by “Financial Supervisory Commission” order #1030010325 on April 3, 2014</u></p> <p>4. <u>“International Accounting Standard No. 7 “Financial Instruments: Expose” approved by “Financial Supervisory Commission” order #1030010325 on April 3, 2014.</u></p>	<p>Text amended pursuant to the name changes of the competent authorities, laws and dates.</p>
<p>Article 4: Principle</p> <p>III. Division of Rights and Liabilities (VII) Accounting Department:</p>	<p>Article 4: Principle</p> <p>III. Division of Rights and Liabilities (VII) Accounting Department:</p>	<p>1. Synchronized with financial statements release.</p>

Original	Proposed Revision	Description
<p>3. The disclosure of derivatives in financial statement(half year, yearly) shall be in accordance with the regulations in Clause 3 and 4 of Article 2 hereof.</p> <p>VI. Loss-limit: the loss-limit of derivatives trading is as follows: (I) Individual contract: 20% of contract amount. If there are special situations, it shall be specially approved by the high competent personnel authorized by the board of directors.</p>	<p>3. The disclosure of derivatives in financial statement(<u>quarter</u>, half year, yearly) shall be in accordance with the regulations in Clause 3 and 4 of Article 2 hereof.</p> <p>VI. Loss-limit: the loss-limit of derivatives trading is as follows: (I) Individual contract: 20% of contract amount.</p>	<p>2. Pursuant to Article 18, Section 1, Item 1 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.”</p>

Attachment 5: Articles of Incorporation Amendment Comparison Table

Original	Proposed Revision	Description
<p>Article 10 Shareholders’ meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders’ meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.</p>	<p>Article 10 Shareholders’ meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders’ meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary. <u>Shareholders’ meeting will adopt electronic voting as one of the method to exercise the right to vote, and its related operation rules shall follow the competent authority regulations.</u></p>	<p>Increase the number of voting methods.</p>
<p>Chapter IV Board of Directors and Supervisors</p>	<p>Chapter IV Board of Directors, Supervisors and <u>Audit Committee</u></p>	<p>Set up the Audit Committee.</p>
<p>Article 16 The Company shall have seven to eleven directors, to be elected by the shareholders’ meeting from among candidates with legal capacity in accordance with Article 192-1 of the Company Act. The term of office shall be three years, and they may continue in office if re-elected. The aggregate shareholding percentages of the entire bodies of directors shall comply with the regulations prescribed by the securities supervisory authorities.</p>	<p>Article 16 The Company shall have seven to eleven directors, to be elected by the shareholders’ meeting from <u>the director candidate list</u> in accordance with Article 192-1 of the Company Act. The term of office shall be three years, and they may continue in office if re-elected. The aggregate shareholding percentages of the entire bodies of directors shall comply with the regulations prescribed by the securities supervisory authorities.</p>	<p>Amend the text to be more specific.</p>
<p>Article 24 When the term of the board of directors and supervisors has expired and no time exists to hold the re-election, the term of the directors and supervisors shall be extended until the newly elected directors and supervisors take office.</p>	<p>Article 24 When the term of the board of directors has expired and no time exists to hold the re-election, the term of the directors shall be extended until the newly elected directors take office. <u>The Board of Directors shall set up functional committees, committee</u></p>	<p>In accordance with setting up the Audit Committee, references to supervisors have been deleted.</p>

	<p><u>member qualifications, duties and related matters shall be defined by BOD in accordance with the laws and regulations.</u></p> <p><u>The company will set up the Audit Committee to replace the role of Supervisors after the 2016 shareholders' meeting pursuant to Article 14 paragraph 4 of the Securities Exchange Act.</u></p> <p><u>The Audit Committee shall be comprised of all independent directors, whose number shall be no less than three, one of whom will be the convener. Their duties and other related matters will be defined by BOD in accordance with the laws and regulations.</u></p> <p><u>The relevant provisions of the constitution with regard to Supervisors will become invalid from the date of the establishment of the Audit Committee.</u></p>	
<p>Article 31 These Articles of Incorporation were enacted on January 5, 1974. ...</p> <p>The 45th amendment was made on June 26, 2013.</p> <p>The 46th amendment was made on June 25, 2014.</p>	<p>Article 31 These Articles of Incorporation were enacted on January 5, 1974. ...</p> <p>The 45th amendment was made on June 26, 2013.</p> <p>The 46th amendment was made on June 25, 2014.</p> <p><u>The 47th amendment was made on June 25, 2015.</u></p>	<p>Updating of the date of amendment.</p>

**Attachment 6: Regulations Governing the Election of Directors and Supervisors
Amendment Comparison Table**

Original Proposed Revision	Proposed Revision	Description
Regulations Governing the Election of Directors and Supervisors	Regulations Governing the Election of Directors	In accordance with setting up the Audit Committee, references to supervisors have been deleted.
Article 1 Election of Directors and Supervisors shall be acted upon in accordance with these Regulations.	Article 1 Election of Directors shall be acted upon in accordance with these Regulations.	Same as above
Article 2 Unless otherwise provided by the Company Act or the Articles of Incorporation of the Company, the election of Directors and Supervisors, each common share with a voting right is entitled to the number of ballots which are equivalent to the numbers of directors to be elected, they can be voted to only one candidate or a few candidates, same as the election of supervisors. Voters' registration can be substituted by the attendee card number which is printed on the ballots.	Article 2 Unless otherwise provided by the Company Act or the Articles of Incorporation of the Company, the election of Directors, each common share with a voting right is entitled to the number of ballots which are equivalent to the numbers of directors to be elected, they can be voted to only one candidate or a few candidates, same as the election of supervisors. Voters' registration can be substituted by the attendee card number which is printed on the ballots.	Same as above
Article 4 A. The numbers of the Directors and supervisors of the Company shall be provided by the Articles of Incorporation of the Company. In the election for the directors and supervisors of the Company, the candidates receiving ballots representing the highest number of voting rights sequentially shall be elected. A candidate simultaneously elected as a director and supervisor shall, at the candidate's own discretion, decide to serve as either director or supervisor. The position left vacant by such decision shall be filled by the candidate with the next most votes in the original election. When two or more persons receive the same number of votes and the	Article 4 A. The numbers of the Directors of the Company shall be provided by the Articles of Incorporation of the Company. In the election for the directors of the Company, the candidates receiving ballots representing the highest number of voting rights sequentially shall be elected. When two or more persons receive the same number of votes and the specified number of positions is exceeded, the two persons receiving the same number of votes shall draw lots to decide who shall serve; the chair shall draw lots on behalf of a non-attendee. B. The election of Directors shall adopt the candidate nomination system pursuant to Article 192-1 of	Same as above

<p>specified number of positions is exceeded, the two persons receiving the same number of votes shall draw lots to decide who shall serve; the chair shall draw lots on behalf of a non-attendee.</p> <p>B. The election of Directors and Supervisors shall adopt the candidate nomination system pursuant to Article 192-1 of the Company Act. The election of independent directors and non-independent directors shall be held together; but elected places shall be calculated separately. The elected candidates shall base on the total voting rights received.</p>	<p>the Company Act. The election of independent directors and non-independent directors shall be held together; but elected places shall be calculated separately. The elected candidates shall base on the total voting rights received.</p>	
<p>Article 9 The Board of Directors will issue a Notice of Election to all the elected Directors and Supervisors.</p>	<p>Article 9 The Board of Directors will issue a Notice of Election to all the elected Directors.</p>	<p>Same as above</p>

Appendices

Appendix 1: Shareholders' Meeting Rules

Amended June 18, 2012

- Article 1** Meetings of shareholders shall be acted upon in accordance with these rules.
- Article 2** The shareholders or their representatives present shall wear identification and may hand in attendance cards in lieu of signing the attendance book. The total attendance shall be calculated in accordance with the attendance cards turned in at the meeting.
- Article 3** The participation and voting by shareholders shall be duly calculated based on the number of shares they hold.
- Article 4** The location of shareholders meeting shall be the Company's current location or such other place that is convenient for shareholders to attend. The meeting shall not commence earlier than 9AM or later than 3PM.
- Article 5** If a shareholders' meeting is convened by the board, the chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, the vice chairman shall preside at the meeting on the chairman's behalf; if the Company does not have a vice chairman or the vice chairman is on leave or cannot perform his duties for some reason, the chairman shall designate one managing director to act on his behalf. If the Company does not have a managing director, the chairman shall designate one director to act on his behalf. If the chairman has not appointed an agent or the designated director cannot perform his duties for some reason, the meeting chair shall be elected from among the directors present.
- If the meeting is convened by any other person besides the board of directors who is entitled to convene the meeting, such person shall be the chairman to preside at the meeting. If there are more than two persons convening the meeting, then shall be the one elected by the other.
- Article 6** The Company may appoint designated attorneys, certified public accounts or other relevant persons to attend shareholders' meetings.
- The staff members who take charge of the shareholders' meeting affairs shall wear identification certificates or armbands.
- Article 7** The Company shall record the shareholders' meetings by audio or video and keep the recording for at least one year.
- Article 8** The chairman shall call the meeting to order at the time scheduled for the meeting, provided, however, that if during such a shareholders' meeting a

majority of the total number of outstanding shares ceases to be present, the chairman may postpone the shareholders' meeting to a later time, provided, however, that the maximum number of times a shareholder meeting may be postponed shall be two and total time of postponement shall not exceed one hour. If after two postponements no quorum can yet be constituted but the shareholders present at the meeting represent more than one third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act.

If before the end of the meeting and at enough shares become present to constitute a quorum, the chairman may then re-submit the tentative resolutions to the meeting for approval, in accordance with Article 174 of the Company Act.

Article 9 The agenda for the shareholders' meetings shall be set by the Board of Directors if the meeting is convened by the Board of Directors. The meeting shall be conducted in accordance with the agenda, which may not be altered without a resolution adopted at the shareholders' meeting. The preceding provisions of this Article apply *mutatis mutandis* to cases where shareholders' meetings are convened by any person(s), other than the Board of Directors, entitled to convene the meeting. Unless otherwise resolved at the shareholders' meeting, the chairman may not announce adjournment of the meeting unless the scheduled agenda items (including Extemporaneous Motions) set forth in the preceding provisions of this Article are concluded.

If the chairman announces adjournment of the meeting and violates these rules of procedure, the meeting may be continued after electing one of the attendees to be the meeting chairman in accordance to the approval of the majority of the votes represented by the attending shareholders. After the meeting is adjourned, shareholders may not separately elect a chair and resume the meeting at the original or another venue.

Article 10 When a shareholder attending the meeting wishes to speak, he or she shall first fill out a speaker's card, specifying therein the major points of his or her speech, account number (or number appeared on attendance pass) and account name. The chairman shall determine sequence of shareholders' speeches.

A shareholder in attendance who submits a speaker's slip but does not speak shall be deemed to have not spoken. In the case where the contents of a shareholder's speech differ from those specified on the speaker's card, the contents of the actual speech shall prevail.

Unless otherwise permitted by the chairman and speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder; the chairman shall stop any such interruptions.

Article 11 A shareholder may not speak more than twice on the same resolution without the chairman's consent, with five minutes maximum for each speech.

The chairman may stop any shareholder who violates the above rules or exceeds the scope of the agenda item.

Article 12 Any legal entity designated as proxy by shareholder(s) to be present at the meeting may appoint only one representative to attend the meeting.

If a corporate shareholder designates two or more representatives to attend the meeting, only one of the representatives so designated may speak on any one motion.

Article 13 The chairman may respond or designate other persons to respond after an attending shareholder's speech.

Article 14 When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution.

Article 15 The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.

Article 16 During the process of the meeting, the chairman may announce a recess at an appropriate time

Article 17 Unless otherwise specified in the Company Act and the Articles of Incorporation, resolutions shall be adopted by a majority of the votes represented by the attending shareholders. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after inquiry by the chairman.

Article 18 Unless listed in the handbook, the contents of new proposals shall ask the chairman or master of ceremonies to be read to attending shareholders. If there is an amendment or replacement proposal to the original proposal, the chairman shall decide the sequence of voting for such proposals, provided that if any one of the proposals has been approved, the others shall be deemed vetoed and no further voting is required.

Article 19 The chairman may direct disciplinary officers (or security personnel) to maintain the order of the Meeting. For identification purposes, they shall wear a badge bearing the words of "disciplinary officer."

Article 20 If the matters do not provided this rules, shall pursuant to the Company Act and other laws and regulations.

Article 21 These rules and procedures shall be effective after ratification at the shareholders' meetings. The same applies to modifications.

Appendix 2: Articles of Incorporation

Chapter I General Provisions

Article 1 The Company, organized under the Company Act as a Company limited by shares, and shall be named Hon Hai Precision Industry Co., Ltd. (hereinafter, “the Company”).

Article 2 The Company’s scope of business is as follows:

1. The development, design, manufacture and sale of computer system equipment, connectors for peripherals, cable assemblies chassis and frames.
2. The development, design, manufacture and sale of connectors, cable assemblies and parts for computer networking systems, telecommunications, fiber optical and optoelectronic products.
3. The development, design, manufacture and sale of parts or assembly work for consumer electronic products, automobile and aerospace industry equipment.
4. The development, design, manufacture and sale of precision molds, mold parts and assemblies and molding equipment.
5. Metal and plastic parts manufacture and sale.
6. Metal surface treatment, machining and equipment manufacture and sale.
7. Machining and hardware tools and equipment business.
8. The development, design, manufacture and sale of automated machineries and their peripherals.
9. Computer network and industrial computer software agent development, design, sales and after-sales service.
10. Measurement and inspection services for machineries, electronic parts and molds.
11. The development, manufacture, or sale of testing equipment or acting as a sale agent thereof.
12. Plastic materials and metal materials import and export.
13. The development, design, manufacture, processing and sale of constructions materials.
14. Shipping centers and bonded warehouse business.

15. The development, design, manufacture, sale and sale services of prevention and control of air pollution, noise and vibration control, prevention and control of water pollution, waste disposal, environmental testing and monitoring equipment.
16. Construction of industrial plants, residential and commercial real estate business.
17. Construction materials and machineries business or as an agent thereof.
18. Illumination and telecommunication system design and installation.
19. Health and safety system and interior remodeling design and installation.
20. Operation of real estate property management, trading broker, lease, contract and agency businesses.
21. The development, design, manufacture, assembly, processing, testing and trading of integrated circuit and the docking stations.
22. The development, design, manufacture, processing and trading of CD-ROM drives.
23. The development, design, manufacture and trading of CD-ROM disks.
24. The manufacture, processing and trading of gold potassium cyanide (氰化金鉀).
25. Research and development of engineering plastics, blending, mixing, and processing applications, technology transfer and trading.
26. Import and export trade business of the products listed above.
27. CC01020 Wire and cable manufacturing.
28. CC01080 Electronic parts and components manufacturing.
29. CB01020 Office machines manufacturing.
30. CC01010 Power generation, transmission, and distribution equipment manufacturing.
31. CB01010 Machinery and equipment manufacturing.
32. CD01030 Automotive and parts manufacturing.
33. CD01060 Aircraft and parts manufacturing.
34. CA01990 Other non-ferrous metal industries. (Mg)
35. C805050 Industrial plastic products manufacturing.

36. CC01050 Data storage and processing equipment manufacturing.
37. F119010 Electronic materials wholesale trading.
38. F219010 Electronic materials retail sales.
39. CA01090 Aluminum foundry.
40. CA01130 Copper secondary processing.
41. CC01060 Wired communication machinery and equipment manufacturing.
42. CC01070 Wireless communication machinery and equipment manufacturing.
43. CC01101 Restricted telecommunications RF equipment manufacturing.
44. F401021 Restricted telecommunications RF equipment importers.
45. ZZ99999 In addition to licensed businesses, the Company may operate any other businesses that are not prohibited or restricted by law.

Article 3 The Company may provide endorsements and guarantees and act as a guarantor.

Article 4 The Company is headquartered in New Taipei City, Taiwan and when necessary may establish branches or subsidiaries at home and abroad according to resolutions by the board of directors.

By a resolution of the board of directors, the Company may engage in domestic or foreign investment in other companies. The total amount of the Company's investment in other companies is exempted from the prohibition against exceeding 40 percent of paid-up capital described in Article 13 of the Company Act.

Article 5 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Act.

Chapter II Shares

Article 6 The authorized capital of the Company is NT\$180 billion, consisting of 18 billion shares, all of common stock, with a par value of NT\$10 per share. The board of directors is authorized to issue the shares in separate installments as required, of which 500 million shares are reserved for stock options with warrants or corporate bonds for the exercise of stock options. The board of directors is also authorized to issue shares in separate installments as required.

Article 7 The share certificates of the Company shall without exception be in registered form, signed by, or affixed with the seals of, at least three directors, and authenticated by the

competent governmental authority upon issuance. Shares issued by the Company need not be in certificate form.

Article 8 All stock processing and related activities shall follow the Financial Supervisory Commission's "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulations.

Article 9 All entries in the shareholders register due to share transfers shall be suspended for 60 days prior to an ordinary shareholders meeting, or for 30 days prior to an extraordinary shareholders meeting, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Chapter III Shareholders' Meeting

Article 10 Shareholders' meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders' meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.

Article 11 The shareholders' meeting shall be convened by the board of directors; the chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, pursuant to Article 208 of the Company Act, the shareholders' meeting shall be convened by others who have the right to convene a meeting and he or she shall be the chairman. If there is more than one person with the rights to convene a shareholders' meeting, they shall nominate a chairman from among themselves.

Article 12 For any shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy.

Article 13 Each shareholder of the Company is entitled to one vote per share, unless otherwise provided by applicable law or regulation.

Article 14 Unless otherwise provided by applicable law or regulation, a resolution of the shareholders' meeting shall be adopted by the consent of a majority of the votes represented by those in attendance at the meeting, in person or by proxy, by shareholders who represent a majority of the total issued shares.

Article 15 The resolutions of the shareholders meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the stamp of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Company and announced to all shareholders within 20 days.

Chapter IV

Board of Directors and Supervisors

Article 16 The Company shall have seven directors, to be elected by the shareholders' meeting from among candidates with legal capacity in accordance with Article 192-1 of the Company Act. The term of office shall be three years, and they may continue in office if re-elected. The aggregate shareholding percentages of the entire bodies of directors shall comply with the regulations prescribed by the securities supervisory authorities.

Article 16-1 Pursuant to Article 14-2 and Article 183 of the Securities and Exchange Act, the Company's board of directors shall include two independent. The election of independent directors shall proceed pursuant to Article 192-1 of the Company Act.

Article 17 The board of directors shall consist of the directors of the Company; the chairman of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairman of the board of directors shall represent the Company in external matters. If the chairman of the board is on leave or cannot perform his duties for some reason, the chairman shall designate a director to act on his behalf. If the chairman has not appointed an agent or the designated director cannot perform his duties for some reason, the directors shall nominate one from among themselves to act on behalf of the chairman.

Article 18 Except for the first meeting of the board of directors of every new term, which shall be convened pursuant to Article 203 of the Company Act, all other meetings of the board of directors shall be convened by the chairman of the board of directors. Unless otherwise provided for by applicable law or regulation, a resolution of the board of directors shall be adopted by the consent of a majority of the votes represented by those the majority in attendance at the board of directors meeting. Directors shall attend meetings of the board of directors. If a director is unavailable to attend a meeting in person, the director may issue a power of attorney for the given meeting specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, provided that a director may represent only one other director at a meeting pursuant to Article 205 of the Company Act. Meetings of the board of directors shall be called once per quarter, and extraordinary sessions may be convened only when necessary.

Article 18-1 Seven days prior to the convening of a meeting of the board of directors, notice shall be sent to all directors, specifying the reasons for calling the meeting, though in emergency situations, a meeting may be called whenever necessary.

Notice of the convening of a meeting described in the preceding paragraph may be in writing, by fax or by e-mail notification thereof.

Article 19 The authorities of the board of directors are as follows:

1. The Company's business focus, business and long term development plans shall be decided by the board of directors.
2. Propose the Company's annual budget plan.

3. Propose to increase or decrease Company capital.
4. Propose profit distribution or a plan for recovery of losses.
5. Propose major contracts.
6. Propose to revise the Articles of Incorporation.
7. Set up Company organizational structures and business rules.
8. Setup, dissolution, re-organization and dismissal of branch offices.
9. Commissioning and decommissioning of the Company's CEO, deputy general managers and managers.
10. Convening of the shareholders' meeting.
11. Propose the acquisition or disposal of the Company's major assets.
12. Propose external endorsements and guarantees or schedule foreign investments.
13. Propose to increase the Company's capital plan by dividends, bonus or reserves.
14. The authorities pursuant to Article 202 of the Company Act.

Article 20 If there exists a shortfall of one-third of directors or all supervisors have been dismissed, the board of directors shall convene a shareholders' meeting for the by-election of absent directors or supervisors. The term of newly elected directors or supervisors shall continue for the original term of the directors or supervisors replaced, except in the case of a comprehensive re-election of all new directors and supervisors.

Article 21 The resolutions of the meetings of the board of directors shall be recorded in the minutes, and such minutes shall be signed by or sealed with the stamp of the chairman of the meeting. Such minutes, together with the attendance list, shall be filed and kept at the head office of the Company and announced to all directors within 20 days.

Article 22 The Company shall have two supervisors, to be elected by the shareholders' meeting from among candidates with legal capacity in accordance with Article 192-1 of the Company Act. The term of office is three years, and they may continue in office if re-elected. The aggregate shareholding percentages of the entire body of supervisors shall comply with the regulations prescribed by the competent authority.

Article 23 The authorities of the supervisors are as follows:

1. Review the Company's annual report.
2. Monitor the Company's business operations and request status updates from the board of directors or all level managers.

3. Attend meetings of the board of directors.
4. Other authorities provided by applicable law or regulation.

Article 24 When the term of board of the directors and supervisors has expired and no time exists to hold the re-election, the term of the directors and supervisors shall be extended until the newly elected directors and supervisors take office.

Article 25 When the Company's directors and supervisors perform Company duties, the Company may compensate them at a rate consistent with general practices in the industry. The board of directors is authorized to purchase liability insurance for directors and supervisors, in accordance with a resolution of the board of directors adopted by consent of a majority of the votes represented by those the majority in attendance at the board of directors meeting.

Chapter V Managers

Article 26 The Company may appoint one Chief Executive Officer, whose commissioning, decommissioning and pay rate shall be as pursuant to Article 29 of the Company Act.

Chapter VI Finance

Article 27 After the close of each fiscal year, the following reports shall be prepared by the board of directors and submitted to the regular shareholders' meeting by the supervisors for reviewing and for ratification.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Net Profits or Recovering of Losses.

Article 28 The annual net income of the Company shall be appropriated in accordance with the priorities listed as follows:

1. Recovering of Losses.
2. Appropriation of 10% for legal capital reserve.
3. Appropriate or return to Special capital reserve pursuant to applicable law or regulation.

4. Appropriate 8% from the annual distributable earnings for employee bonus; the Company may issue stock bonuses to employees of an affiliated Company meeting the conditions set by the board of directors, or other related guidelines the board of directors is authorized to develop.

As to the earnings available for appropriation to shareholders including accumulated un-appropriated earnings and earnings available for appropriation of this year, the board of directors is authorized to draft a appropriation plan in accordance with the dividend policy in this Article Section 3.

The Company is currently in a growth stage; with the Company's dividend distribution policy subject to the Company's current and future investment environment, fund requirements, domestic competition and capital budgets, taking into account the interests of shareholders and the long-term financial planning, shareholder dividends set aside on shareholders accumulated un-appropriated earnings shall not be less than 15% of earnings available for appropriation and cash dividends shall not be less 10% of total shareholder dividends.

Article 29 The Company may transfer stock to employees at a price that is lower than the actual average price of the shares, or the Company may issue employee stock options at a price that is lower than the common stock closing price of the issue date, pursuant to a resolution approved by the majority of total issued shares represented at the shareholders' meeting and the consent of more than two-thirds of the attending shareholders' voting rights.

Chapter VII Supplementary Provisions

Article 30 Any matters not sufficiently provided for in these Articles of Incorporation shall be handled in accordance with the Company Act and other applicable laws or regulations.

Article 31 These Articles of Incorporation were enacted on January 5, 1974.

The 1st amendment was made on January 20, 1974.

The 2nd amendment was made on November 30, 1974.

The 3rd amendment was made on July 28, 1975.

The 4th amendment was made on August 19, 1975.

The 5th amendment was made on January 5, 1976.

The 6th amendment was made on February 23, 1976.

The 7th amendment was made on November 29, 1977.

The 8th amendment was made on August 25, 1978.

The 9th amendment was made on April 15, 1982.

The 10th amendment was made on March 10, 1983.

The 11th amendment was made on April 24, 1984.

The 12th amendment was made on September 1, 1984.

The 13th amendment was made on April 10, 1986.

The 14th amendment was made on December 10, 1986.
The 15th amendment was made on November 6, 1987.
The 16th amendment was made on April 29, 1989.
The 17th amendment was made on October 2, 1989.
The 18th amendment was made on October 24, 1989.
The 19th amendment was made on December 20, 1989.
The 20th amendment was made on December 31, 1989.
The 21st amendment was made on May 19, 1990.
The 22nd amendment was made on April 28, 1991.
The 23rd amendment was made on May 27, 1992.
The 24th amendment was made on June 21, 1993.
The 25th amendment was made on May 21, 1994.
The 26th amendment was made on June 10, 1995.
The 27th amendment was made on June 24, 1996.
The 28th amendment was made on June 21, 1997.
The 29th amendment was made on October 7, 1997.
The 30th amendment was made on June 15, 1998.
The 31st amendment was made on June 1, 1999.
The 32nd amendment was made on June 2, 2000.
The 33rd amendment was made on May 31, 2001.
The 34th amendment was made on June 10, 2002.
The 35th amendment was made on December 24, 2003.
The 36th amendment was made on June 10, 2004.
The 37th amendment was made on June 14, 2005.
The 38th amendment was made on June 14, 2006.
The 39th amendment was made on June 8, 2007.
The 40th amendment was made on June 2, 2008.
The 41st amendment was made on April 16, 2009.
The 42nd amendment was made on June 8, 2010.
The 43rd amendment was made on June 8, 2011.
The 44th amendment was made on June 18, 2012.
The 45th amendment was made on June 26, 2013.
The 46th amendment was made on June 25, 2014.

Appendix 3: Shareholdings of Directors and Supervisors

- As of 04/27/2015, all directors and supervisors minimum shareholding number and actually registered holding shares.

Title	Minimum number of shares to be held	Shares actually held in share register
Directors	160,000,000	1,841,945,201
Supervisors	16,000,000	69,652,841

- As of 04/27/2015, table of shares held by all directors and supervisors.

Title	Name	Shares held in share register
President	Gou, Tai-ming (Terry Gou)	1,815,955,107
Director	Hon Chiao International Investment Co., Ltd. Representative: Tai, Jeng-wu	22,986,528
Director	Hon Jin International Investment Co., Ltd. Representative: Lu, Fang-ming	1,605,064
Director	Chien, Yi-bin	1,398,502
Director	Huang, Qing-yuan	0
Independent Director	Wu, Yu-chi	0
Independent Director	Liu, Cheng-yu	0
Supervisor	Wan, Jui-hsia	0
Supervisor	Fu-Rui International Investment Co., Ltd. Representative: Cho, Min-Chi	69,652,841

Appendix 4: Impact of Stock Dividend Issuance on the Company’s Business Performance, Earnings per Share and Return on Shareholders’ Investment

Item	Year	2015 (Forecast)	
Beginning Paid-in Capital (NTD)		147,934,068,630	
Dividend Distribution ⁽¹⁾	Cash dividend per share (NTD) ⁽¹⁾	3.8	
	Stock dividend per share for capital increase from retained earnings (Share) ⁽¹⁾	0.05	
	Stock dividend per share for capital increase from capital reserve (Share) ⁽¹⁾	-	
Business Performance Variation	Operating profit	N/A ⁽²⁾	
	Year-on-year increase / decrease (%) of operating profit		
	Net profit after tax		
	Year-on-year increase / decrease (%) of net profit after tax		
	Earnings per share		
	Year-on-year increase / decrease of earnings per share		
Pro forma earnings per share and its P/E ratio	If cash dividend is distributed instead of capital increase from retained earnings	Pro forma earnings per share (NTD)	N/A ⁽²⁾
		Pro forma average return over investment (annualized)	
	If no capital increase from capital reserve	Pro forma earnings per share (NTD)	
		Pro forma average return over investment (annualized)	
	If no capital reserve and cash dividend is distributed instead of capital increase from retained earnings	Pro forma earnings per share (NTD)	
		Pro forma average return over investment (annualized)	

Note 1: Pending resolution by 2015 Annual General Shareholders’ Meeting.

Note 2: Hon Hai is not required to disclose its 2015 financial forecast pursuant to “Regulations Governing the Publication of Financial Forecasts of Public Companies.”