

Advantech Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2011 and 2010 and
Independent Accountants' Review Report**

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and the Shareholders
Advantech Co., Ltd.

We have reviewed the accompanying consolidated balance sheets of Advantech Co., Ltd. ("Parent Company") and subsidiaries as of September 30, 2011 and 2010, and the related consolidated statements of income and cash flows for the nine months then ended. These financial statements are the responsibility of the Parent Company's management. Our responsibility is to issue a report 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 of Financial Statements" of the Republic of China. A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As stated in Note 2 to the financial statements, the subsidiaries' financial statements as of and for the nine months ended September 30, 2011 and 2010 had not been reviewed. As of September 30, 2011 and 2010, the total assets of these subsidiaries were 53.75% (NT\$11,428,948 thousand) and 55.60% (NT\$9,994,301 thousand) of the Parent Company's consolidated total assets, respectively, and the total liabilities of these subsidiaries were 44.05% (NT\$2,791,331 thousand) and 49.13% (NT\$2,518,868 thousand) of the Parent Company's consolidated total liabilities, respectively. In the nine months ended September 30, 2011 and 2010, the operating revenues of these subsidiaries were 79.24% (NT\$15,956,380 thousand) and 79.60% (NT\$13,209,174 thousand), respectively, of the consolidated operating revenues, and the net incomes were 23% (NT\$641,977 thousand) and 32.97% (NT\$756,028 thousand), respectively, of the consolidated total net income. Also, as stated in Note 9 to the financial statements, we did not review the financial statements of equity-method investees as of and for the nine months ended September 30, 2011 and 2010. As of September 30, 2011 and 2010, the carrying values of these investments were NT\$372,523 thousand and NT\$388,086 thousand, respectively, of the consolidated total assets and the net investment gains were NT\$27,941 thousand and NT\$53,385 thousand in the nine months ended September 30, 2011 and 2010, respectively. These investment amounts as well as additional disclosures in Note 22 required by the Securities and Futures Bureau for the Parent Company and its investees were based on the investees' unreviewed financial statements for the same reporting periods as those of the Parent Company.

Based on our reviews, except for the adjustments that might have been determined to be necessary had the subsidiaries and other equity-method investees' financial statements mentioned in the preceding paragraph 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 in the first paragraph for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers; order VI-0960064020 issued by the Financial Supervisory Commission under the Executive Yuan on November 15, 2007; and accounting principles generally accepted in the Republic of China.

October 20, 2011

Notice to Readers

The accompanying consolidated financial statements are intended only to present the financial position, results of operations 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 accepted and applied in the Republic of China.

For the convenience of readers, the 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 accountants' review report and consolidated financial statements shall prevail.

ADVANTECH CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2011 AND 2010

(In Thousands of New Taiwan Dollars, Except Par Value)

(Reviewed, Not Audited)

ASSETS	2011		2010		LIABILITIES AND SHAREHOLDERS' EQUITY	2011		2010	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash (Note 4)	\$ 1,867,969	9	\$ 1,791,619	10	Short-term bank loans (Notes 12 and 21)	\$ 463,412	2	\$ 332,520	2
Financial assets at fair value through profit or loss - current (Notes 2, 5 and 21)	31,683	-	23,813	-	Financial liabilities at fair value through profit or loss - current (Notes 2, 5 and 21)	\$ 118,274	1	\$ 45,046	-
Available-for-sale financial assets - current (Notes 2, 6 and 21)	47,385	-	14,433	-	Accounts payable (Note 18)	1,777,568	8	2,203,665	12
Notes receivable	623,975	3	338,290	2	Income tax payable (Note 2)	465,384	2	465,715	3
Accounts receivable, net of allowance for doubtful accounts of \$66,590 thousand in 2011 and \$60,185 thousand in 2010 (Note 2)	3,855,526	18	3,358,749	19	Accrued expenses (Note 15)	1,848,576	9	1,353,413	8
Accounts receivable from related parties (Note 18)	4,331	-	9,924	-	Long-term bank loans - current portion (Notes 13, 19 and 21)	1,305	-	2,200	-
Other receivables	53,471	-	73,152	-	Advance receipts and other current liabilities	370,783	2	252,346	1
Inventories, net (Notes 2 and 7)	4,536,717	22	3,670,862	21					
Deferred income tax assets - current (Note 2)	52,822	-	72,931	-	Total current liabilities	5,045,302	24	4,654,905	26
Prepayments and other current assets	193,617	1	251,398	1					
Total current assets	11,267,496	53	9,605,171	53	LONG-TERM LIABILITIES				
					Convertible bonds payable (Notes 2, 14 and 21)	756,294	4	-	-
LONG-TERM FUNDS AND INVESTMENTS					Long-term bank loans (Notes 13, 19 and 21)	11,743	-	20,523	-
Available-for-sale financial assets - noncurrent (Notes 2, 6 and 21)	2,346,567	11	2,480,225	14	Total long-term liabilities	768,037	4	20,523	-
Financial assets carried at cost - noncurrent (Notes 2 and 8)	33,257	-	103,588	1					
Investments accounted for by the equity method (Notes 2 and 9)	372,523	2	388,086	2	OTHER LIABILITIES				
Total long-term funds and investments	2,752,347	13	2,971,899	17	Accrued pension liabilities (Note 2)	125,444	-	122,140	1
					Guarantee deposits received	7,422	-	1,277	-
PROPERTIES (Notes 2, 10 and 19)					Deferred income tax liabilities - noncurrent (Note 2)	389,980	2	326,489	2
Cost					Deferred credits (Note 2)	206	-	1,121	-
Land	2,808,219	13	1,311,162	7	Total other liabilities	523,052	2	451,027	3
Buildings	2,731,125	13	2,682,042	15	Total liabilities	6,336,391	30	5,126,455	29
Machinery and equipment	1,030,331	5	882,349	5					
Leasehold improvements	358	-	893	-	SHAREHOLDERS' EQUITY (Note 15)				
Furniture and fixtures	467,041	2	417,273	3	Capital stock of parent company, NT\$10.00 par value				
Other equipment	639,723	3	520,410	3	Authorized - 600,000 thousand shares				
Total cost	7,676,797	36	5,814,129	33	Issued and outstanding - 551,797 thousand shares issuance in 2011 and 516,134 thousand shares in 2010	5,517,971	26	5,161,337	29
Less: Accumulated depreciation	1,858,987	9	1,571,783	9	Capital surplus (Notes 2, 14 and 15)				
	5,817,810	27	4,242,346	24	Additional paid-in capital from share issuance in excess of par	3,751,469	18	4,376,041	25
Construction in progress and prepayment for equipment	147,403	1	27,478	-	Treasury stock transactions	-	-	13,612	-
Properties, net	5,965,213	28	4,269,824	24	From long-term equity investments	57,473	-	59,911	-
					Stock options	188,477	1	58,545	-
INTANGIBLE ASSETS (Note 2)					Total capital surplus	3,997,419	19	4,508,109	25
Trademarks	90,983	-	39,587	-	Retained earnings (Notes 2 and 15)				
Goodwill, net	618,554	3	583,907	3	Legal reserve	2,359,910	11	2,102,592	12
Deferred pension cost	7,357	-	7,954	-	Special reserve	621,663	3	70,136	-
Core technology, net	101,595	1	86,078	1	Unappropriated earnings	2,783,507	13	2,908,050	16
Superficies	101,319	1	101,109	1	Total retained earnings	5,765,080	27	5,080,778	28
Other intangible assets, net	95,656	-	70,310	-	Others (Notes 2, 16 and 21)				
Total intangible assets	1,015,464	5	888,945	5	Cumulative translation adjustments	156,749	1	162,654	1
					Net loss not recognized as pension cost	(2,121)	-	(2,353)	-
OTHER ASSETS					Unrealized loss on financial instruments	(611,721)	(3)	(815,544)	(5)
Assets leased to others (Notes 2 and 11)	19,060	-	11,646	-	Treasury stock - 14,500 thousand shares	-	-	(1,385,698)	(8)
Refundable deposits	27,836	-	24,539	-	Total other equity	(457,093)	(2)	(2,040,941)	(12)
Deferred expense, net (Note 2)	214,994	1	204,190	1	Total shareholders' equity of parent company	14,823,377	70	12,709,283	70
Total other assets	261,890	1	240,375	1	Minority interest	102,642	-	140,476	1
					Total shareholders' equity	14,926,019	70	12,849,759	71
TOTAL	\$ 21,262,410	100	\$ 17,976,214	100	TOTAL	\$ 21,262,410	100	\$ 17,976,214	100

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

(With Deloitte & Touche review report dated October 20, 2011)

ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2011		2010	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 2 and 18)				
Sales	\$ 19,907,385	99	\$ 16,454,234	99
Sales returns and allowances	<u>171,917</u>	<u>1</u>	<u>246,999</u>	<u>1</u>
Net sales	19,735,468	98	16,207,235	98
Other operating revenues	<u>402,399</u>	<u>2</u>	<u>386,751</u>	<u>2</u>
Total operating revenues	20,137,867	100	16,593,986	100
OPERATING COSTS (Notes 2, 7 and 18)	<u>12,325,795</u>	<u>61</u>	<u>10,045,026</u>	<u>60</u>
GROSS PROFIT	7,812,072	39	6,548,960	40
UNREALIZED INTERCOMPANY GAINS (Note 2)	(206)	-	(1,121)	-
REALIZED INTERCOMPANY GAINS (LOSS) (Note 2)	<u>(65)</u>	<u>-</u>	<u>1,539</u>	<u>-</u>
ADJUSTED GROSS PROFIT	<u>7,811,801</u>	<u>39</u>	<u>6,549,378</u>	<u>40</u>
OPERATING EXPENSES (Note 18)				
Marketing	2,037,880	10	1,639,076	10
Administrative	1,147,507	6	897,257	5
Research and development	<u>1,584,883</u>	<u>8</u>	<u>1,439,601</u>	<u>9</u>
Total operating expenses	<u>4,770,270</u>	<u>24</u>	<u>3,975,934</u>	<u>24</u>
OPERATING INCOME	<u>3,041,531</u>	<u>15</u>	<u>2,573,444</u>	<u>16</u>
NONOPERATING INCOME AND GAINS				
Interest income (Note 18)	7,812	-	6,257	-
Investment income recognized under the equity method, net (Notes 2 and 9)	27,941	-	53,385	-
Dividend income	120,833	1	109,959	1
Gain on disposal of investments, net	-	-	14,808	-
Foreign exchange gain, net (Note 2)	179,683	1	-	-
Rental revenue	29,432	-	9,900	-
Financial instrument revaluation gain, net (Notes 2 and 5)	20,869	-	71,228	1
Other income (Note 18)	<u>126,972</u>	<u>1</u>	<u>65,584</u>	<u>-</u>
Total nonoperating income and gains	<u>513,542</u>	<u>3</u>	<u>331,121</u>	<u>2</u>

(Continued)

ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2011		2010	
	Amount	%	Amount	%
NONOPERATING EXPENSES AND LOSSES				
Interest expense (Note 2 and 14)	\$ 11,113	-	\$ 3,488	-
Loss on disposal of properties	1,030	-	19,387	-
Loss on disposal of investments	20,286	-	-	-
Foreign exchange loss, net (Note 2)	-	-	11,890	-
Valuation loss on financial instruments, net (Notes 2 and 5)	87,784	1	50,986	1
Other expenses	<u>15,286</u>	<u>-</u>	<u>22,908</u>	<u>-</u>
Total nonoperating expenses and losses	<u>135,499</u>	<u>1</u>	<u>108,659</u>	<u>1</u>
INCOME BEFORE INCOME TAX	3,419,574	17	2,795,906	17
INCOME TAX (Note 2)	<u>628,069</u>	<u>3</u>	<u>502,849</u>	<u>3</u>
CONSOLIDATED NET INCOME	<u>\$ 2,791,505</u>	<u>14</u>	<u>\$ 2,293,057</u>	<u>14</u>
ATTRIBUTABLE TO:				
Parent's shareholders	\$ 2,774,884	14	\$ 2,270,147	14
Minority interest	<u>16,621</u>	<u>-</u>	<u>22,910</u>	<u>-</u>
	<u>\$ 2,791,505</u>	<u>14</u>	<u>\$ 2,293,057</u>	<u>14</u>
	2011		2010	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 16)				
Basic	<u>\$ 5.72</u>	<u>\$ 5.03</u>	<u>\$ 4.61</u>	<u>\$ 4.11</u>
Diluted	<u>\$ 5.71</u>	<u>\$ 5.03</u>	<u>\$ 4.58</u>	<u>\$ 4.09</u>

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

(With Deloitte & Touche review report dated October 20, 2011)

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ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income	\$ 2,791,505	\$ 2,293,057
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	354,968	308,819
Amortization of bond discount	5,351	-
Allowance for bad debts	25,673	22,366
Allowance for loss on inventories	74,596	114,503
Loss on disposal of scrap inventories	74,094	19,692
Loss on disposal of properties, net	1,030	19,387
Gain on disposal of investments	(10,105)	(14,808)
Loss on the sale of available-for-sale financial assets, net	30,391	-
Investment income recognized under the equity-method, net	(27,941)	(53,385)
Compensation cost of employee stock options	63,911	53,288
Accrued pension liabilities	11,270	8,950
Deferred income taxes	77,574	63,250
Net changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	98,270	32,307
Notes receivable	(275,825)	(134,071)
Accounts receivable	(906,455)	(981,300)
Accounts receivable - related parties	14,853	87,392
Other receivable	25	(15,970)
Other receivable - related parties	-	14,000
Inventories	(1,124,110)	(1,614,711)
Prepayments and other current assets	168,747	128,734
Accounts payable	10,601	519,809
Income tax payable	(11,997)	340,631
Accrued expenses	391,836	218,084
Advance receipts and other current liabilities	(34,321)	(183,092)
Deferred credits	<u>271</u>	<u>(418)</u>
Net cash provided by operating activities	<u>1,804,212</u>	<u>1,246,514</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of capital reduction on available-for-sale financial assets	3,522	1,851
Acquisition of available-for-sale financial assets	(35,329)	-
Proceeds of the disposal of available-for-sale financial assets	152,697	36,538
Proceeds of the sale of equity-method investments	26,872	10,015
Acquisition of financial assets carried at cost	-	(70,331)
Proceeds of the disposal of financial assets carried at cost	-	39,776
Net cash used in the acquisition of a subsidiary	(88,810)	(605,740)
Acquisition of properties	(1,930,265)	(124,532)
Proceeds of the disposal of properties	18,526	6,155
Decrease in restricted assets	-	620

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ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2011	2010
Decrease in refundable deposits	\$ 214	\$ 12,299
Increase in deferred expenses	<u>(41,223)</u>	<u>(19,079)</u>
Net cash used in investing activities	<u>(1,893,796)</u>	<u>(712,428)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of corporate bonds	800,000	-
Increase in short-term bank loans	414,839	259,652
Decrease in long-term bank loans	(9,051)	(11,249)
Increase in other liabilities	-	662
Increase in deposits	7,000	-
Cash dividends	(1,755,718)	(2,006,535)
Decrease in minority interest	<u>(16,465)</u>	<u>(74,680)</u>
Net cash used in financing activities	<u>(559,395)</u>	<u>(1,832,150)</u>
EFFECT OF EXCHANGE RATE CHANGES	<u>228,815</u>	<u>(63,205)</u>
NET DECREASE IN CASH	(420,164)	(1,361,269)
CASH, BEGINNING OF PERIOD	<u>2,288,133</u>	<u>3,152,888</u>
CASH, END OF PERIOD	<u>\$ 1,867,969</u>	<u>\$ 1,791,619</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid (excluding capitalized interest)	<u>\$ 4,938</u>	<u>\$ 3,189</u>
Income tax paid	<u>\$ 562,492</u>	<u>\$ 114,630</u>

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ADVANTECH CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

The fair values of the assets and liabilities of DLoG GmbH, a 100% subsidiary of Advantech Enrope Holding B.V. (AEU) at their acquisition in March 2010, are summarized as follows:

Cash	\$ 4,923
Accounts receivable, net	83,647
Other receivables	11,919
Inventories, net	88,829
Other current assets	5,654
Properties, net	18,029
Intangible assets	218,142
Accounts payable	(64,638)
Other current liabilities	<u>(26,979)</u>
Net	339,526
Percentage of equity interest	<u>100%</u>
	339,526
Cost in excess of book value of subsidiary acquired	<u>209,512</u>
Total	549,038
Less: Cash balances of DLoG GmbH	<u>(4,923)</u>
Cash paid for the acquisition of DLoG GmbH	<u>\$ 544,115</u>

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

(With Deloitte & Touche review report dated October 20, 2011)

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. ORGANIZATION AND OPERATIONS

Advantech Co., Ltd. (the “Parent Company”) was established in September 1981 and it is a listed company. 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 Parent Company’s board of directors resolved 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 Parent Company assumed all assets and liabilities of AIMS.

As of September 30, 2011 and 2010, the Parent Company and the consolidated subsidiaries (collectively, the “Group”) had 5,873 and 5,227 employees, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES

The Group’s consolidated financial statements have been prepared in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the ROC. Under these guidelines and principles, the Group is required to make certain estimates and assumptions that could affect the allowance for doubtful accounts, allowance for loss on inventories, depreciation of properties and properties leased to others, pension cost, product warranty reserve, bonuses to employees and remuneration to directors and supervisors and income tax. Actual results could differ from these estimates.

For the convenience of readers, 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 financial statements shall prevail.

The Group’s significant accounting policies are summarized as follows.

Basis for Consolidation

Consolidated financial statements should include direct and indirect subsidiaries in which the Group has controlling interests or has voting rights of over 50%. The consolidated entities included the Parent Company and its all subsidiaries. All significant intercompany accounts and transactions have been eliminated from the consolidated financial statements.

The financial statements of Advansus Corp. for the nine months ended September 30, 2011 and 2010 had been consolidated under the proportionate consolidated method. All significant accounts and transactions between the Parent and this company have been eliminated from the consolidated financial statements.

The organization chart of intercompany relationships and percentages of ownership as of September 30, 2011 and 2010 is shown in Table 9 (attached). The names, locations and other information of investees are shown in Table 7 (attached).

The financial statements used as basis of the consolidated subsidiaries' information and related investment amounts were unreviewed.

Current and Noncurrent Assets and Liabilities

Current assets include cash, those assets held primarily for trading purposes and to be realized, sold or consumed within one year from the balance sheet date. All other assets such as properties are classified as noncurrent. Current liabilities are obligations incurred for trading purposes or to be settled within one year from the balance sheet date. All other liabilities are classified as noncurrent.

Financial Assets/Liabilities at Fair Value through Profit or Loss

Financial instruments classified as financial assets or financial liabilities at fair value through profit or loss (FVTPL) include financial assets or financial liabilities held for trading. The Group recognizes a financial asset or a financial liability on its balance sheet when a Group member becomes a party to the contractual provisions of the financial instrument. A financial asset is derecognized when the Group member loses control of its contractual rights over the financial asset. A financial liability is derecognized when the obligation specified in the relevant contract is discharged, cancelled or expired.

Financial instruments at FVTPL are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss. At each balance sheet date subsequent to issue of initial recognition, financial assets or financial liabilities at FVTPL are remeasured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise. On derecognition of a financial asset or a financial liability, the difference between its carrying amount and the sum of the consideration received and receivable or consideration paid and payable is recognized in profit or loss. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

A derivative that does not meet the criteria for hedge accounting is classified as a financial asset or a financial liability held for trading. If the fair value of the derivative is positive, the derivative is recognized as a financial asset; otherwise, the derivative is recognized as a financial liability.

Fair values of financial assets and financial liabilities at the balance sheet date are determined as follows: Financial assets and financial liabilities without quoted prices in an active market - at values determined using valuation techniques.

Available-for-sale Financial Assets

Available-for-sale financial assets are initially recognized at fair value plus transaction costs that are directly attributable to the acquisition. When subsequently measured at fair value, the changes in fair value are excluded from earnings and reported as a separate component of shareholders' equity. The accumulated gains or losses are recognized as earnings when the financial asset is derecognized from the balance sheet. Purchase or sale of financial assets under customary transactions is recognized and derecognized using trading date accounting.

The recognition, derecognition and the fair value bases of available-for-sale financial assets are the same with those of financial assets at FVTPL.

Cash dividends are recognized as investment income upon ex-dividend day but are accounted for as reductions of the original cost of investment if these dividends are declared on the investees' earnings before investment acquisition. Stock dividends are recorded as an increase in the number of shares held and do not affect investment income. After the receipt of stock dividends, the cost per share is recalculated on the basis of the new number of total shares.

An impairment loss is recognized when there is objective evidence that the financial asset is impaired. Any subsequent decrease in impairment loss for an equity instrument classified as available-for-sale is recognized directly in equity. If the fair value of a debt instrument classified as available-for-sale subsequently increases as a result of an event which occurred after the impairment loss was recognized, the decrease in impairment loss is reversed to profit.

Revenue Recognition, Accounts Receivable, and Allowance for Doubtful Accounts

Sales are recognized when titles to products and material risks of ownerships are transferred to clients, primarily upon shipment, when the earnings process is mostly completed and profit is realized or is realizable. The Group does not recognize as sales those transactions involving the delivery of materials to subcontractors since ownership of materials is not transferred upon delivery of materials. Allowances for sales returns are accounted for as a deduction from gross sales, and the related costs are deducted from cost of sales as they are incurred.

Sales are measured at the fair value of the consideration received or receivable and represents amounts agreed between the Group and the customers for goods sold in the normal course of business, net of sales discounts and volume rebates. For trade receivables due within one year from the balance sheet date, as the nominal value of the consideration to be received approximates its fair value and transactions are frequent, fair value of the consideration is not determined by discounting all future receipts using an imputed rate of interest.

An allowance for doubtful accounts is provided on the basis of a review of the collectibility of accounts receivable. This review involves the aging analysis of the outstanding receivables and assessing relevant economic circumstances.

As discussed in Note 3 to the financial statements, the Group early adopted the third-time revised Statement of Financial Accounting Standards (SFAS) No. 34 - "Financial Instruments: Recognition and Measurement." One of the main revisions is that the impairment of receivables originated by the Company should be covered by SFAS No. 34. Accounts receivable are assessed for impairment at the end of each reporting period and considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the accounts receivable, the estimated future cash flows of the asset have been affected. Objective evidence of impairment could include:

- Significant financial difficulty of the debtor;
- The accounts receivable becoming overdue; or
- Probability that the debtor will enter into bankruptcy or undergo financial reorganization.

Accounts receivable that are assessed as not impaired individually are further assessed for collective impairment. Objective evidence of impairment for a portfolio of accounts receivable could include the Group's past difficulty in collecting payments and an increase in the number of delayed payments as well as observable changes in national or local economic conditions that correlate with defaults on receivables.

The impairment loss recognized is the difference between the asset carrying amount and the present value of estimated future cash flows, after taking into account the related collaterals and guarantees, discounted at the receivable's original effective interest rate. The carrying amount of the accounts receivable is reduced through the use of an allowance account. When accounts receivable are considered uncollectible, they are written off against the allowance account. Recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance account are recognized as bad debt in profit or loss.

Inventories

Inventories consist of raw materials and supplies, work-in-process, finished goods, and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and necessary selling costs. Inventory costs are determined using the weighted-average method.

Financial Assets Carried at Cost

Investments in equity instruments with no quoted prices in an active market and with fair values that cannot be reliably measured, such as non-publicly traded stocks and stocks traded in the Emerging Stock Market, are measured at their original cost. The accounting treatment for dividends on financial assets carried at cost is the same with that for dividends on available-for-sale financial assets. An impairment loss is recognized when there is objective evidence that the asset is impaired. A reversal of this impairment loss is disallowed.

Investments Accounted for by the Equity Method

Investments in shares of stock of companies in which the Group owns at least 20% of their outstanding common stock or exercises significant influence over their operating and financial policy decisions are accounted for by the equity method.

The acquisition cost is allocated to the assets acquired and liabilities assumed on the basis of their fair values at the date of acquisition, and the acquisition cost in excess of the fair value of the identifiable net assets acquired is recognized as goodwill. Goodwill is not being amortized. The fair value of the net identifiable assets acquired in excess of the acquisition cost is used to reduce the fair value of each of the noncurrent assets acquired (except for financial assets other than investments accounted for by the equity method, noncurrent assets held for sale, deferred income tax assets, prepaid pension or other postretirement benefit) in proportion to the respective fair values of the noncurrent assets, with any excess recognized as an extraordinary gain.

If an investee issues additional shares and the Group acquires these shares at a percentage different from its current equity in the investee, the resulting increase in the Group's equity in its investee's net assets is credited to capital surplus. Any decrease in the Group's equity in the investee's net assets is debited to capital surplus. If capital surplus is not enough for debiting purposes, the difference is debited to unappropriated earnings.

For equity-method investees over which the Group has controlling influence, if the equity in losses recognized exceeds the original investment acquisition costs, the Group recognizes its investee's total losses unless other investors commit to and have the ability to assume a portion of the losses. However, when the investees return to profitable operations, the profits should be recognized by the Group totally until its previously recognized losses are covered. If the equity in losses recognized exceeds the original investment acquisition costs plus any advance given to an equity-method investee, the excess losses should be recognized proportionately and is recorded as part of other liabilities.

Profits derived from sales of products by the Group to its subsidiaries are entirely deferred but only profit in proportion to the Group's equity interest is deferred for other equity-method investees that are not majority owned. Profit from the sales of products by all equity-method investees to the Group is entirely deferred in proportion to the Group's equity interests in the investees and credited against the investment. Profits from sales of products between equity-method investees are deferred to the extent of the Group's equity interests in these investees. The deferred profits are included as part of other liabilities. All of these profits are realized through the subsequent sale of the related products to third parties.

Stock dividends received are recorded only as an increase in the number of shares held but not recognized as investment income. Cost or carrying value per share is recomputed on the basis of total shares held after stock dividends are received.

For all stock investments, costs of investments sold are determined using the weighted-average method.

Properties and Properties Leased to Others

Properties and properties leased to others are stated at cost less accumulated depreciation. Major additions, renewals and betterments are capitalized, while maintenance and repairs are charged to current expense.

Depreciation is computed using the straight-line method over service lives initially estimated as follows (plus one year to represent estimated salvage value): buildings and equipment, 15 to 60 years; machinery and equipment, 2 to 8 years; furniture and fixtures 2 to 8 years; and miscellaneous equipment, 2 to 10 years. Properties and properties leased to others still being used by the Group beyond their initially estimated service lives are depreciated over their newly estimated service lives.

Upon sale or other disposal of properties and properties leased to others, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is credited or charged to nonoperating income or expenses in the year of disposal.

Intangible Assets

Intangible assets arising from acquisition (excluding goodwill) are initially recorded at their fair values, and are amortized on a straight line basis over their estimated useful lives. Core technology, customer relationship and other intangible assets are amortized on a straight line basis over 1 to 7 years; trademark is determined to have an indefinite useful life, hence it is tested for impairment annually, and the useful life of such asset is reviewed at each balance sheet date to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset.

Goodwill is an investment premium, which is the difference between the cost of investment and the net acquired equity. Effective January 1, 2006, based on the newly released Statement of Financial Accounting Standards No. 37 - "Intangible Assets," goodwill is no longer amortized and instead is tested for impairment annually. Superficies refer to royalty paid for the usage of the land, and it is amortized on a straight line basis over 50 years.

Deferred Expenses

Deferred expenses, consisting of computer software costs and royalties are amortized over two to eight years using the straight-line method.

Asset Impairment

An impairment loss should be recognized if the carrying amount of properties and properties leased to others, intangible assets, deferred expenses and investments accounted for by the equity method exceeds, as of the balance sheet date, their recoverable amount, and this impairment loss should be charged to current income. An impairment loss recognized in prior years could be reversed if there is a recovery in the estimates used to determine recoverable amount since the last impairment loss was recognized. However, an impairment loss is reversed only to the extent that it does not increase the asset carrying amount that would have been determined had no impairment loss on the asset been recognized in prior years.

For the purpose of impairment testing, goodwill is allocated to each of the relevant cash-generating units (CGUs) that are expected to benefit from the synergies of the acquisition. A CGU to which goodwill has been allocated is tested for impairment annually or whenever there is an indication that the CGU may be impaired. If the recoverable amount of the CGU becomes less than its carrying amount, the impairment is allocated to first reduce the carrying amount of the goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each asset in the CGU. A reversal of an impairment loss on goodwill is disallowed.

For long-term equity investments on which the Group has significant influence but over which it has no control, the carrying amount (including goodwill) of each investment is compared with its own recoverable amount for the purpose of impairment testing.

Stock-based Compensation

Employee stock options granted on or after January 1, 2008 are accounted for under Statement of Financial Accounting Standards (SFAS) No. 39 - "Share-based Payment." Under the statement, the value of the stock options granted, which is equal to the best available estimate of the number of stock options expected to vest multiplied by the grant-date fair value, is expensed on a straight-line basis over the vesting period, with a corresponding adjustment to capital surplus - employee stock options. The estimate is revised if subsequent information indicates that the number of stock options expected to vest differs from previous estimates.

Convertible Bonds Payable

For convertible bonds issued on or after January 1, 2006, the Parent Company first determines the carrying amount of the liability component by measuring the fair value of a similar liability that does not have an associated equity component, then determines the carrying amount of the equity component, representing the equity conversion option, by deducting the fair value of the liability component from the fair value of the convertible bonds as a whole. The liability component (excluding embedded derivatives) is measured at amortized cost using the effective interest method, while the embedded non-equity derivatives are measured at fair value. Upon conversion, the Parent Company uses the aggregate carrying amount of the liability and equity components of the bonds at the time of conversion as a basis to record the common shares issued.

Pursuant to a newly released Statement of Financial Accounting Standards (SFAS) No. 34 - "Financial Instruments: Recognition and Measurement," transaction costs of bonds issued on or after January 1, 2006, net of related income tax benefit, are allocated in proportion to the liability and equity components of the bonds.

Pension Costs

Pension cost under a defined benefit plan is determined by actuarial valuations. Contributions made under a defined contribution plan are recognized as pension cost during the year in which employees render services.

Curtailment or settlement gains or losses on the defined benefit plan are recognized as part of the net pension cost for the year.

Except for the Parent Company, the subsidiaries all contribute to pension funds and recognize pension costs based on local government regulations.

Treasury Stock

Treasury stock is stated at cost and shown as a deduction in shareholders' equity. Upon treasury share disposal, the selling price in excess of the book value is recorded under capital surplus - treasury stock transaction. If the selling price is lower than book value, the difference is charged against capital surplus from treasury stock, and any deficit is debited to unappropriated retained earnings. Upon write-off, the capital surplus - additional paid-in capital from share issuance in excess of par is debited pro rata. If the book value exceeds the premium on issuance of capital stock, the difference is offset against capital surplus - treasury stock and any deficit is charged against unappropriated retained earnings. If the book value of treasury stock is lower than the total of capital stock and premium on stock issuance, the difference is credited to capital surplus - treasury stock.

Income Tax

The Group uses inter-period allocation to account for income tax. Deferred tax assets are recognized for the tax effects of deductible temporary differences, investment tax credits, and deferred tax liabilities are recognized for the tax effects of taxable temporary differences. Valuation allowance is provided for deferred income tax assets that are not certain to be realized. Deferred income tax assets or liabilities are classified as current or noncurrent according to the nature of related assets or liabilities for financial reporting. But, if a deferred asset or liability cannot be related to an asset or liability in the financial statements, it is classified as current or noncurrent depending on the expected realization date of the temporary difference.

Investment tax credits for certain equipment or technology purchases, research expenditure, employee and trainings are recognized in the current period.

Adjustments of prior years' tax liabilities are added to or deducted from the current period's tax expense.

Income taxes (10%) on undistributed earnings generated since January 1, 1998 are recorded as expense in the year when the shareholders resolve to retain the earnings.

Foreign-currency Transactions

The financial statements of foreign operations are translated into New Taiwan dollars at the following exchange rates:

- a. Assets and liabilities - at exchange rates prevailing on the balance sheet date;
- b. Shareholders' equity - at historical exchange rates;
- c. Dividends - at the exchange rate prevailing on the dividend declaration date; and
- d. Income and expenses - at average exchange rates for the year.

Exchange differences arising from the translation of the financial statements of foreign operations are recognized as a separate component of shareholders' equity. Such exchange differences are recognized in profit or loss in the year in which the foreign operations are disposed of.

Nonderivative foreign-currency transactions are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Exchange differences arising from the settlement of foreign-currency assets and liabilities are recognized in profit or loss.

At the balance sheet date, foreign-currency monetary assets and liabilities are revalued at prevailing exchange rates, and the exchange differences are recognized as gain or loss.

If the functional currencies of equity-method investees are foreign currencies, translation adjustments will result from the translation of the investees' financial statements into the reporting currency of the Parent Company. These adjustments are accumulated and reported as a separate component of shareholders' equity.

At the balance sheet date, foreign-currency nonmonetary assets (such as equity instruments) and liabilities that are measured at fair value are revalued at prevailing exchange rates, with the exchange differences treated as follows:

- a. Recognized in shareholders' equity if the changes in fair value are recognized in shareholders' equity;
- b. Recognized as gain or loss if the changes in fair value are recognized as gain or loss.

Foreign-currency nonmonetary assets and liabilities that are carried at cost continue to be stated at exchange rates at trade dates.

3. ACCOUNTING CHANGES

Financial Instruments

On January 1, 2011, the Group adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 34 - "Financial Instruments: Recognition and Measurement." The main revisions include (1) impairment on finance lease receivables being now covered by SFAS No. 34; (2) amendment of the scope of the applicability of SFAS No. 34 to insurance contracts; (3) inclusion of loans and receivables originated by the Parent Company in the items covered by SFAS No. 34; (4) the requirement to disclose additional guidelines on impairment testing of financial assets carried at amortized cost if the asset issuer or obligor has financial difficulties and the terms of obligations on the assets have been modified; and (5) the requirement to disclose the Parent Company's accounting treatment for modifications in the terms of its obligations. This accounting change had no significant impact on the Group's financial statements as of and for the nine months ended September 30, 2011.

Operating Segments

On January 1, 2011, the Group adopted the newly issued SFAS No. 41 - "Operating Segments." SFAS No. 41 regulates the disclosure of segment information that management uses to make decisions on operating matters. It requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance. This statement supersedes SFAS No. 20 - "Segment Reporting." For this accounting change, the Group restated its segment disclosures as of and for the nine months ended September 30, 2010 to conform to the disclosures as of and for the nine months ended September 30, 2011.

4. CASH

	<u>September 30</u>	
	<u>2011</u>	<u>2010</u>
Cash on hand	\$ 9,014	\$ 9,269
Checking and demand deposits	1,797,805	1,569,095
Time deposits: Interest - 0.65%-3.25% in 2011 and 0.12%-3.57% in 2010	<u>61,150</u>	<u>213,255</u>
	<u>\$ 1,867,969</u>	<u>\$ 1,791,619</u>

5. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The trading assets or liabilities of the Parent Company were shown as follows:

	<u>September 30</u>	
	<u>2011</u>	<u>2010</u>
<u>Financial assets resulting from trading</u>		
Forward contracts	\$ 31,683	\$ 23,813
<u>Financial liabilities resulting from trading</u>		
Forward contracts	\$ 118,274	\$ 45,046

As of September 30, 2011 and 2010, the outstanding forward contracts were as follows:

	Currency	Maturity	Amount (Thousands)
<u>September 30, 2011</u>			
Sell	USD/NTD	October 2011-May 2012	USD67,809/NTD1,955,097
	JPY/USD	October 2011-April 2012	JPY290,000/USD3,608
	JPY/NTD	January 2012-March 2012	JPY100,000/NTD36,607
	EUR/USD	October 2011-May 2012	EUR19,000/USD26,691
	EUR/NTD	December 2011-May 2012	EUR5,500/NTD221,466
<u>September 30, 2010</u>			
Sell	USD/NTD	October 2010-August 2011	USD54,146/NTD1,715,593
	JPY/USD	October 2010-July 2011	JPY370,000/USD4,204
	EUR/USD	October 2010-August 2011	EUR17,500/USD22,617
	EUR/NTD	January 2011	EUR500/NTD21,359

The Parent Company entered into forward contract transactions for the nine months ended September 30, 2011 and 2010 to avoid risks on exchange rate fluctuations. The hedging strategy of the Parent Company is to avoid the major portion of the fair value risks.

On the trading of financial assets or liabilities for the nine months ended September 30, 2011 and 2010, there were a net loss of \$66,915 thousand and a net gain of \$20,242 thousand, respectively.

6. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	<u>September 30</u>			
	<u>2011</u>		<u>2010</u>	
	<u>Current</u>	<u>Noncurrent</u>	<u>Current</u>	<u>Noncurrent</u>
Quoted domestic stocks				
Chunghwa Telecom Co., Ltd.	\$ 16,743	\$ 126,229	\$ 14,433	\$ 108,818
ASUSTEK Computer Inc.	-	1,689,641	-	1,521,287
Pegatron Corp.	-	528,716	-	755,176
				(Continued)

	September 30			
	2011		2010	
	Current	Noncurrent	Current	Noncurrent
Aver Information Inc.	\$ 30,642	\$ -	\$ -	\$ -
Avalue Technology Inc.	-	-	-	65,970
Quoted overseas stocks				
SG Advantech Co., Ltd.	-	1,981	-	28,974
	<u>\$ 47,385</u>	<u>\$ 2,346,567</u>	<u>\$ 14,433</u>	<u>\$ 2,480,225</u>
				(Concluded)

The Parent 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 and the purpose of the company holding the shares.

7. INVENTORIES, NET

	September 30	
	2011	2010
Finished goods	\$ 1,522,836	\$ 1,303,737
Work in process	660,848	676,914
Materials and supplies	1,955,849	1,393,493
Inventories in transit	<u>397,184</u>	<u>296,718</u>
	<u>\$ 4,536,717</u>	<u>\$ 3,670,862</u>

As of September 30, 2011 and 2010, the allowances for loss were \$425,543 thousand and \$338,156 thousand, respectively.

The costs of goods sold pertaining to inventories as of September 30, 2011 and 2010 were \$12,325,795 thousand and \$10,045,026 thousand, respectively. In addition, for the nine months ended September 30, 2011, the foregoing amounts included allowance for loss of \$74,596 thousand and a loss of \$74,094 thousand on inventory scrap disposal, and for the nine months ended September 30, 2010, the foregoing amounts included allowance for loss of \$114,503 thousand and a loss of \$19,692 thousand on inventory scrap disposal.

8. FINANCIAL ASSETS CARRIED AT COST

	September 30	
	2011	2010
Unlisted common traded stocks		
Domestic		
Aver Information Inc.	\$ -	\$ 70,331
Foreign		
Coban Research and Technologies, Inc. (US\$1,020 thousand as of September 30, 2011 and 2010)	<u>33,257</u>	<u>33,257</u>
	<u>\$ 33,257</u>	<u>\$ 103,588</u>

The shares of Aver Information Inc. (formerly AverMedia Information Inc.) began to be OTC traded in August 2011; thus, the Parent Company's investment in Aver was reclassified to available-for-sale financial assets - noncurrent.

Investments with no quoted market prices in an active market and with fair values that cannot be reliably measured are carried at their original cost.

9. LONG-TERM EQUITY INVESTMENTS

	September 30			
	2011		2010	
	Carrying Value	% of Owner- ship	Carrying Value	% of Owner- ship
<u>Listed</u>				
Axiomtek Co., Ltd.	\$ 350,842	28.57	\$ 359,140	27.41
<u>Unlisted</u>				
Advantech Hungary Ltd.	14,598	30.00	14,823	30.00
Jan Hsiang Electronics Co., Ltd.	7,083	28.50	6,580	28.50
Advantech Corporation (Thailand) Co., Ltd.	<u>-</u>	-	<u>7,543</u>	30.00
	<u>\$ 372,523</u>		<u>\$ 388,086</u>	

In 2010, Advantech Co., Singapore Pte, Ltd. (ASG), a subsidiary of the Parent Company, increased its interest in Advantech Corporation (Thailand) Co., Ltd. (ATH) to 51%. As a result, ASG obtained a controlling influence over ATH, and the latter was included in the consolidation.

The calculation of the carrying values of the equity-method investments and the equity in their net income or net loss was based on the investees' unreviewed financial statements for the nine months ended September 30, 2011 and 2010.

Changes in goodwill as of September 30, 2011 and 2010 were as follows:

	Nine Months Ended September 30	
	2011	2010
Cost		
Balance, beginning of period	\$ 10,299	\$ 10,517
Amount derecognized on disposal of investments	<u>(357)</u>	<u>-</u>
Balance, end of period	<u>\$ 9,942</u>	<u>\$ 10,517</u>

The market values of the listed stocks invested in by the Parent Company, which were calculated on the basis of the closing prices of September 30, 2011 and 2010 were \$452,863 thousand and \$612,473 thousand, respectively.

10. PROPERTIES

Accumulated depreciation was as follows:

	<u>September 30</u>	
	<u>2011</u>	<u>2010</u>
Buildings	\$ 527,632	\$ 437,514
Machinery and equipment	616,150	535,978
Furniture and fixtures	282,768	242,988
Other equipment	<u>432,437</u>	<u>355,303</u>
	<u>\$ 1,858,987</u>	<u>\$ 1,571,783</u>

11. PROPERTIES LEASED TO OTHERS

	<u>September 30</u>	
	<u>2011</u>	<u>2010</u>
Cost		
Buildings	\$ 29,532	\$ 17,353
Accumulated depreciation	<u>(10,472)</u>	<u>(5,707)</u>
	<u>\$ 19,060</u>	<u>\$ 11,646</u>

12. SHORT-TERM BANK LOANS

	<u>September 30</u>	
	<u>2011</u>	<u>2010</u>
Credit loans - interest of 0.93%-5.30% in 2011 and 0.82%-1.32% in 2010	<u>\$ 463,412</u>	<u>\$ 332,520</u>

To meet its financing need, the Parent Company obtained a bank credit loan. As of September 30, 2011 and 2010, the loan carrying values were \$341,440 thousand and \$250,000 thousand, respectively, and its unused short-term credit lines amounted to \$1,932,560 thousand and 2,518,120 thousand, respectively.

To meet its financing need, Cermate Technologies Inc., an indirect subsidiary of the Parent Company, obtained credit loans from a bank. As of September 30, 2011 and 2010, the loan carrying values were \$20,000 thousand each.

Advantech Technology (China) Company Ltd., an indirect subsidiary of the Parent Company, obtained a credit loan from a bank to meet its financing need. As of September 30, 2011 and 2010, the carrying values were \$91,416 thousand and \$62,520 thousand, respectively.

To meet its financing need, Netstar Technology Co., Ltd., an indirect subsidiary of the Parent Company, obtained a bank credit loan. As of September 30, 2011, the loan carrying value was \$10,000 thousand.

To meet its financing need, DLoG GmbH, an indirect subsidiary of the Parent Company, obtained a bank credit loan. As of September 30, 2011, the loan carrying value was \$556 thousand.

13. LONG-TERM BANK LOANS

	Current	Long-term	Total
<u>September 30, 2011</u>			
Mortgage loans	<u>\$ 1,305</u>	<u>\$ 11,743</u>	<u>\$ 13,048</u>
<u>September 30, 2010</u>			
Mortgage loans	<u>\$ 2,200</u>	<u>\$ 20,523</u>	<u>\$ 22,723</u>

Cermate Technologies Inc., an indirect subsidiary of the Parent Company, obtained a mortgage bank loan for the capital expenditure. This loan is repayable every one or three months at various amounts from March 2006 to March 2021. As of September 30, 2011 and 2010, the carrying values of the loan were \$13,048 thousand and \$22,723 thousand, respectively, and interest rates throughout the repayment period were 2.29% and 1.99% to 2.07%, respectively.

14. BONDS PAYABLE

	<u>September 30</u>	
	2011	2010
Unsecured domestic convertible bonds	\$ 800,000	\$ -
Deduct: Unamortized discount on bonds payable	<u>(43,706)</u>	<u>-</u>
	<u>\$ 756,294</u>	<u>\$ -</u>

On May 26, 2011, the Parent Company issued 3-year unsecured convertible bonds, with an aggregate face value of \$800,000 thousand and a coupon rate of 0%. The effective interest rate was 2.13%. If the bonds are not converted, the Parent Company should redeem the bonds at their face value upon maturity. Under Statement of Financial Accounting Standard (SFAS) No. 36 - "Financial Instruments: Disclosure and Presentation," the Parent Company has bifurcated the bonds into their 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, 2011, the conversion price was NT\$82.36 per share.

15. SHAREHOLDERS' EQUITY

Capital Surplus

Based on certain laws or regulations, capital surplus from long-term equity investments accounted for by the equity method cannot be used for any purpose. Other capital surplus may be used only to offset a deficit. Capital surplus from the issue of stock in excess of par value may be capitalized by issuing new shares to shareholders in proportion to their holdings, and capitalized amounts should be within certain limits.

Appropriation of Earnings and Dividend Policy

The Parent Company's Articles of Incorporation provide that legal reserve should be set aside at 10% of annual net income less any cumulative losses. In addition, a special reserve should be appropriated as needed. The remainder of the income should be appropriated in the following order:

- a. 1% to 20% as bonus to employees;

- b. 1% or less as remuneration to directors and supervisors;
- c. Dividends, as proposed by the board of directors.

For stock bonuses, employees may include subsidiaries' employees who meet certain criteria as determined by the Parent Company's board of directors.

Any appropriations of earnings are recorded in the year of shareholders' approval following the year of earnings generation.

The bonus to employees and remunerations to directors and supervisors of \$38,000 thousand and \$39,000 thousand for the nine months ended September 30, 2011 and 2010, respectively (classified under accrued expenses), were estimated and accrued on the basis of past experience. If there are material differences between these estimated amounts and the amounts proposed by the Board of Directors in the following year, these estimates are adjusted in the year of proposal. 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 estimate. If bonus shares are resolved to be distributed to employees, the number of shares is determined by dividing the amount of bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the eve of the shareholders' meeting.

Based on a directive issued by the Securities and Futures Bureau, an amount equal to the net debit balance of certain shareholders' equity accounts (including unrealized gain or loss on financial instruments and cumulative transaction adjustments) should be transferred from unappropriated earnings to a special reserve. Any special reserve appropriated may be reversed to the extent of the decrease in the net debit balance.

Under the Company Law, legal reserve should be appropriated until the accumulated reserve equals the Parent Company's paid-in capital. This reserve may be used only to offset a deficit. When the balance of the reserve reaches 50% of the Parent Company's outstanding capital stock, up to 50% thereof may be transferred to capital.

Under the Integrated Income Tax System, which took effect on January 1, 1998, noncorporate local shareholders are allowed a tax credit for the income tax paid by the Parent Company on earnings generated since 1998. An imputation credit account (ICA) is maintained by the Parent Company for such income tax and the tax credit allocated to each shareholder. The maximum credit available for allocation to each shareholder cannot exceed the ICA balance on the dividend distribution date.

The Parent 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 Parent Company takes into account the overall business and industry conditions and trends, its objective of enhancing the shareholders' long-term interest, and the sustainability of the Parent Company's growth. The policy also requires that stock dividends be less than 75% of total dividends to retain internally generated cash within the Parent Company to finance future capital expenditures and working capital requirements.

The appropriations of earnings for 2010 and 2009 were approved in the shareholders' meeting held on May 25, 2011 and May 18, 2010, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (Dollars)	
	2010	2009	2010	2009
Legal reserve	\$ 257,319	\$ 175,133		
Special reserve	551,526	-		
Cash dividends	1,755,718	2,006,535	\$3.5	\$4.0

The bonus to employees and the remuneration to directors and supervisors for 2010 and 2009 approved in the shareholders' meetings on May 25, 2011 and May 18, 2010, respectively, were as follows:

	Cash	
	Nine Months Ended September 30	
	2010	2009
Bonus to employees	\$ 20,000	\$ 175,000
Remuneration to directors and supervisors	10,000	3,000

The amounts of the bonus to employees and the remuneration to directors and supervisors were not different from the accrual amounts reflected in the financial statements.

Information on the appropriation of bonus to employees and remuneration to directors and supervisors can be accessed online through the Market Observation Post System on the Web site of the Taiwan Stock Exchange.

At their meeting on May 25, 2011, the shareholders approved the issuance of 50,163 thousand common shares from capital surplus, which amounted to \$501,634 thousand (recorded as capital stock for issuance). This issuance was approved by the Financial Supervisory Commission under the Executive Yuan of the ROC. The board of directors resolved July 17, 2011 as the date of issuance, and the Parent Company then completed its revised registration with the Ministry of Economic Affairs.

Qualified employees of the Parent Company and its subsidiaries were granted stock options at 3,000 thousand units in July 2010 and 10,000 thousand units in December 2009. Each option entitles the holder to subscribe for one thousand common shares of the Parent Company. 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 Parent Company's common shares listed on the grant date. For any subsequent changes in the Parent Company's paid-in capital, the exercise price and the number of options are adjusted accordingly.

The status of employee stock options was as follows:

	Nine Months Ended September 30			
	2011		2010	
	Number of Options (In Thousands)	Weighted- average Exercise Price (NT\$)	Number of Options (In Thousands)	Weighted- average Exercise Price (NT\$)
Balance, beginning of year	13,000	\$ 60.35	10,000	\$ 58.24
Options granted	-	-	3,000	67.40
Options exercised	-	-	-	-
Balance, end of year	<u>13,000</u>		<u>13,000</u>	
Options exercisable, end of year	<u>-</u>		<u>-</u>	
Weighted-average fair value of options granted (NT\$)		\$16.45-\$20.25		\$16.45-\$20.25

Information on outstanding options as of September 30, 2011 and 2010 is as follows:

	September 30			
	2011		2010	
	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	\$59.03	3.78	\$67.40	4.78
Issuance in 2009	51.01	3.17	58.24	4.17

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 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 \$63,911 thousand and \$53,288 thousand for the nine months ended September 30, 2011 and 2010, respectively.

16. TREASURY STOCK

(Shares in Thousands)

Purpose of Treasury Stock	Number of Shares, Beginning of Period	Addition During the Period	Reduction During the Period	Number of Shares, End of Period
<u>Nine months ended September 30, 2010</u>				
For transfer to employees	<u>14,500</u>	<u>-</u>	<u>-</u>	<u>14,500</u>

At their meeting on November 2, 2010, the board of directors approved the retirement of the Parent Company's treasury stock since this treasury stock had not been transferred for three years since the date of acquisition. The Parent Company completed the registration of this retirement with the Ministry of Economic Affairs.

Under the Securities and Exchange Act, the Parent Company shall neither pledge treasury stock nor exercise shareholders' rights on these shares, such as rights to dividends and to vote.

17. EARNINGS PER SHARE

The numerators and denominators used in calculating earnings per share (EPS) were as follows:

	<u>Amount (Numerator)</u>		<u>Shares (Denominator) (Thousands)</u>	<u>Earnings Per Share</u>	
	<u>Pretax</u>	<u>After-tax</u>		<u>Pretax</u>	<u>After-tax</u>
Nine months ended <u>September 30, 2011</u>					
Basic EPS	\$ 3,155,334	\$ 2,774,884	551,797	<u>\$ 5.72</u>	<u>\$ 5.03</u>
Impact of dilutive potential common stock					
Bonuses to employees	<u>-</u>	<u>-</u>	<u>372</u>		
Diluted EPS	<u>\$ 3,155,334</u>	<u>\$ 2,774,884</u>	<u>552,169</u>	<u>\$ 5.71</u>	<u>\$ 5.03</u>
Nine months ended <u>September 30, 2010</u>					
Basic EPS	\$ 2,544,980	\$ 2,270,147	551,797	<u>\$ 4.61</u>	<u>\$ 4.11</u>
Impact of dilutive potential common stock					
Bonuses to employees	<u>-</u>	<u>-</u>	<u>3,837</u>		
Diluted EPS	<u>\$ 2,544,980</u>	<u>\$ 2,270,147</u>	<u>555,634</u>	<u>\$ 4.58</u>	<u>\$ 4.09</u>

The amount of earnings per share increases when the employee's stock option is taken into consideration, which means that the employee's stock option has an anti-dilutive effect. Therefore, the employee's stock option should not be considered when calculating the diluted earnings per share.

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 Parent Company decides to settle the bonus to employees by cash or shares, the Parent 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.

The weighted average number of shares outstanding for EPS calculation has been retroactively adjusted for the issuance of stock from capital surplus. This adjustment caused the basic before and after income tax EPS for the nine months ended September 30, 2010 to decrease from NT\$5.07 to NT\$4.61 and from NT\$4.53 to NT\$4.11, respectively, and for the diluted before and after income tax EPS for the nine months ended September 30, 2010 to decrease from NT\$5.02 to NT\$4.58 and from NT\$4.48 to NT\$4.09, respectively.

18. RELATED-PARTY TRANSACTIONS

a. Related parties

Related Party	Relationship with the Group
Axiomtek Co., Ltd. (“Axiomtek”)	Equity-method investee of the Parent Company
Advantech Hungary Ltd. (AHG)	Equity-method investee of the Parent Company
SG Advantech Co., Ltd. (former name: Advantech Technologies Co., Ltd.) (SGA)	The Parent Company’s chairman is SGA’s board member; SGA was an equity-method investee of the Parent Company until December 2008
Advantech Corporation (Thailand) Co., Ltd. (ATH)	Equity-method investee of Advantech Co., Singapore Pte, Ltd., a 100% subsidiary of the Parent Company
Advantech KR Co., Ltd. (AKR)	Equity-method investee of the Parent Company (the Parent Company acquired control of AKR in 2010 and thus included ABR in the consolidation)
Avalue Technology Inc. (“Avalue”)	The Parent Company’s chairman ceased to be Avalue’s director on June 9, 2011
K&M Investment Co., Ltd. (K&M)	The spouse of the Parent Company’s chairman is K&M’s director
Jan Hsiang Electronics Co., Ltd. (“Jan Hsiang”)	Equity-method investee of Netstar, an indirect subsidiary of the Parent Company
AIDC Investment Corp. (AIDC)	AIDC’s owner is a second-degree relative of the Parent Company’s chairman

The Parent Company’s related parties, in addition to those listed above, are shown in Table 7.

b. The significant transactions with the above related parties, in addition to those disclosed in Note 20 and Table 2, are summarized as follows:

	2011		2010	
	Amount	% to Total	Amount	% to Total
<u>For the nine months ended September 30</u>				
Sales				
Avalue	\$ 28,085	-	\$ 20,053	-
Axiomtek	20,890	-	14,932	-
Jan Hsiang	30	-	-	-
ATH	<u>-</u>	<u>-</u>	<u>19,010</u>	<u>-</u>
	<u>\$ 49,005</u>	<u>-</u>	<u>\$ 53,995</u>	<u>-</u>
Purchase of materials and suppliers				
Jan Hsiang	\$ 16,030	-	\$ 17,826	-
Axiomtek	<u>88</u>	<u>-</u>	<u>314</u>	<u>-</u>
	<u>\$ 16,118</u>	<u>-</u>	<u>\$ 18,140</u>	<u>-</u>
Operating expenses				
Rental expense				
K&M	\$ 3,574	1	\$ 1,340	3
AIDC	<u>2,618</u>	<u>1</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,192</u>	<u>2</u>	<u>\$ 1,340</u>	<u>3</u>

	2011		2010	
	Amount	% to Total	Amount	% to Total
Interest income				
AKR	\$ -	-	\$ 21	-
Other income				
AIDC	1,125	-	1,125	2
K&M	375	-	375	-
	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>2</u>
	<u>\$ 1,500</u>	<u>-</u>	<u>\$ 1,521</u>	<u>2</u>

At the end of nine months

Account receivables - related parties				
Axiomtek	\$ 4,331	100	\$ 4,153	41
ATH	-	-	3,526	36
Avalue	-	-	2,245	23
	<u>\$ 4,331</u>	<u>100</u>	<u>\$ 9,924</u>	<u>100</u>

Payables to related parties (part of accounts payable)				
Accounts payable				
Jan Hsiang	\$ 987	100	\$ 1,767	94
AIDC	-	-	9	-
Axiomtek	-	-	105	6
	<u>\$ 987</u>	<u>100</u>	<u>\$ 114</u>	<u>100</u>

Financing to related parties was as follows (part of other receivable - related parties):

	Nine Months Ended September 30, 2010			
	Maximum Balance	Ending Balance	Interest Rate	Interest Income
AKR	<u>\$ 14,000</u> (KRW500,000 thousand)	<u>\$ -</u>	3%	<u>\$ 21</u>

Product sales were conducted under normal terms. The payment terms for related parties were 30 to 90 days. Terms for third parties were 30 to 60 days.

19. ASSETS PLEDGED OR MORTGAGED

As of September 30, 2011 and 2010, Cermate Technologies Inc., an indirect subsidiary of the Parent Company, pledged assets for a letter of credit and long-term bank loans, as follows:

	<u>Nine Months Ended September 30</u>	
	2011	2010
Properties - land	\$ 13,047	\$ 13,047
Properties - buildings - cost	<u>16,253</u>	<u>17,221</u>
	<u>\$ 29,300</u>	<u>\$ 30,268</u>

20. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

a. As of September 30, 2011, the Parent Company had the following guarantees for affiliates' loans:

	Amount
AiSC	<u>\$ 597,793 thousand</u>
AKMC	<u>\$ 323,088 thousand</u>
Advantech Fund-A	<u>\$ 300,000 thousand</u>
AiST	<u>\$ 200,000 thousand</u>
Advansus Corp.	<u>\$ 100,000 thousand</u>
DLoG	<u>\$ 61,845 thousand</u>
ACA	<u>\$ 50,000 thousand</u>
Cermate	<u>\$ 40,000 thousand</u>
AAU	<u>\$ 6,096 thousand</u>

b. As of September 30, 2011, the guarantee notes issued by Cermate Technologies Co., Ltd. for its bank loan amounted to \$70,000 thousand.

21. FINANCIAL INSTRUMENTS

a. Fair values of financial instruments were as follows:

	<u>September 30</u>			
	<u>2011</u>		<u>2010</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
<u>Nonderivative financial instruments</u>				
<u>Assets</u>				
Available-for-sale financial assets - current	\$ 47,385	\$ 47,385	\$ 14,433	\$ 14,433
Available-for-sale financial assets - noncurrent	2,346,567	2,346,567	2,480,225	2,480,225
<u>Liabilities</u>				
Short-term bank loans	463,412	463,412	332,520	332,520
Long-term bank loans (including current portion)	13,048	13,048	22,723	22,723
Convertible bonds payable	756,294	819,284	-	-

(Continued)

	September 30			
	2011		2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Derivative financial instruments by location</u>				
Financial assets at fair value through profit or loss -				
current				
Domestic	\$ 9	\$ 9	\$ 4,453	\$ 4,453
Foreign (including foreign corporation operating locally)	31,674	31,674	19,360	19,360
Financial liabilities at fair value through profit or loss -				
current				
Domestic	38,509	38,509	10,821	10,821
Foreign (including foreign corporation operating locally)	79,765	79,765	34,225	34,225
				(Concluded)

b. Methods and assumptions used in the determination of fair values of financial instruments

- 1) For financial instruments such as cash and notes and accounts receivables, receivables from related parties, other receivables, refundable deposits, short-term bank loans, accounts payables, expense payables, and guarantee deposits received, the carrying amounts of these financial instruments approximate their fair values.
- 2) Fair values of available-for-sale financial assets were based on their quoted market prices.
- 3) The fair value of the long-term bank loans (including current portion) is determined using the present value based of the projected cash flows discounted at interest rates for similar long-term debts.
- 4) Fair values of derivatives were determined using the quoted market prices, using valuation techniques incorporating estimates and assumptions that are consistent with those prevailing in the market.

c. The fair values of financial assets and liabilities were based on quoted market prices or estimates made using certain valuation techniques, as follows:

	Based on the Quoted Market Price		Determined Using Valuation Techniques	
	September 30		September 30	
	2011	2010	2011	2010
<u>Asset</u>				
Financial assets at fair value through profit or loss -				
current	\$ -	\$ -	\$ 31,683	\$ 23,813
Available-for-sale financial assets - current	47,385	14,433	-	-
Available-for-sale financial assets - noncurrent	2,346,567	2,480,225	-	-
<u>Liabilities</u>				
Financial liabilities at fair value through profit or loss -				
current	-	-	118,274	45,046
Convertible bonds payable	819,284	-	-	-

- d. As of September 30, 2011 and 2010, financial assets exposed to fair value risk from interest rate fluctuation amounted to \$61,150 thousand and \$213,255 thousand, respectively. As of September 30, 2011 and 2010, financial liabilities exposed to fair value risk from interest rate fluctuation amounted to \$476,460 thousand and \$355,243 thousand, respectively. As of September 30, 2011 and 2010, financial assets exposed to cash flow risk from interest rate fluctuation amounted to \$1,502,371 thousand and \$1,402,095 thousand, respectively.
- e. The Parent Company recognized an unrealized loss of \$153,886 thousand and an unrealized loss of \$557,408 thousand in shareholders' equity for the changes in fair value of available-for-sale financial assets for the nine months ended September 30, 2011 and 2010, respectively. A loss of \$10,236 thousand was deducted from the adjusted items in shareholders' equity and was recognized as a reduction of net income of the nine months ended September 30, 2010. The Company also recognized an unrealized loss of \$54,053 thousand and an unrealized gain of \$26,461 thousand in shareholders' equity for the changes in available-for-sale financial assets held by equity-method investees for the nine months ended September 30, 2011 and 2010, respectively.
- f. Financial risks
 - 1) Market risk. The derivative financial instruments categorized as financial assets at fair value through profit or loss are mainly used to hedge against adverse exchange rate fluctuations of foreign currency-denominated assets and liabilities. Thus, the market risk of derivatives will be offset by the gain or loss on the exchange rate fluctuations of hedged assets and liabilities. Available-for-sale financial assets held by the Group are mainly publicly traded stocks. Thus, price fluctuations in the open market would result in changes in fair values of these financial instruments.
 - 2) Credit risk. Credit risk represents the potential loss that would be incurred by the Group if the counter-parties breach financial instrument contracts. Contracts with positive fair values on the balance sheet date are evaluated for credit risk. Since the counter-parties to the foregoing derivative financial instruments are reputable financial institutions, management believes its exposure to default by counter-parties is low.
 - 3) Liquidity risk. The Group has sufficient operating capital to meet cash needs upon settlements of derivative financial instruments. Therefore, the cash flow risk is low. In addition, for long-term equity-method investments (mutual funds and publicly traded stocks) and financial assets carried at cost, the Group keeps liquidity reserves, which are available on a short-term basis. Additionally, the contracted forward rate is decided on the contract starting dates. Thus, the cash flow risk on forward contracts is low.

22. ADDITIONAL DISCLOSURES

- a. Except for those mentioned in Notes 18 and 20 and Tables 1 to 7, no additional disclosures are required by the Securities and Futures Bureau for the Parent Company and its investees and on investment in Mainland China.
- b. Investments in mainland China
 - 1) Investee company name, main business and products, total amount of paid-in capital, investment type, investment flows, percentage ownership of direct or indirect investment, investment gains (losses), carrying value as of September 30, 2011, accumulated inward remittance of earnings as of September 30, 2011 and upper limit on investment: Please see Table 8 attached.
 - 2) Significant transaction with overseas subsidiary with direct or indirect investment in China: Notes 18, 20 and Tables 1, 2, 5 and 6.

c. Intercompany relationships and significant intercompany transactions: Please see Table 10 attached.

23. SEGMENT INFORMATION

a. General information

Segment information is provided to the Group's chief operating decision maker for allocating resources to the segments and assessing their performance. The information puts emphasis on every type of products sold or services provided. The Group's segment information disclosed in accordance with Statement of Financial Accounting Standards No. 41 - "Operating Segments" is as follows:

- 1) Industrial automation services: Services cover various industries;
- 2) Embedded board and design-in services: Including 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 services based on customers' requirements;
- 5) Global customer services: Global repair, technical support and warranty services.

b. Segment information

	September 30, 2011							
	Industrial Automation Services	Embedded Boards and Design-in Services	Intelligent Services	Design and Manufacturing Services	Global Customer Services	Other Segments	Reconciliation and Elimination	Total
Income								
From outside customers	\$ 3,316,658	\$ 6,006,460	\$ 2,030,056	\$ 5,256,107	\$ 2,433,291	\$ 140,902	\$ 954,393	\$ 20,137,867
Income from sales between segments	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	7,812	7,812
Income total	<u>\$ 3,316,658</u>	<u>\$ 6,006,460</u>	<u>\$ 2,030,056</u>	<u>\$ 5,256,107</u>	<u>\$ 2,433,291</u>	<u>\$ 140,902</u>	<u>\$ 962,205</u>	<u>\$ 20,145,679</u>
Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,113	\$ 11,113
Depreciation and amortization	-	-	-	-	-	-	354,968	354,968
Income from equity-method investments	-	-	-	-	-	-	27,941	27,941
Segment profit or loss	<u>\$ 938,872</u>	<u>\$ 1,399,067</u>	<u>\$ 168,262</u>	<u>\$ 738,041</u>	<u>\$ 160,141</u>	<u>\$ -</u>	<u>\$ 15,191</u>	<u>\$ 3,419,574</u>
Investments accounted for by the equity method	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,523	\$ 372,523
Capital expense from noncurrent assets	-	-	-	-	-	-	2,019,075	2,019,075
Segment assets							<u>\$ 21,262,410</u>	<u>\$ 21,262,410</u>
	September 30, 2010							
	Industrial Automation Services	Embedded Boards and Design-in Services	Intelligent Services	Design and Manufacturing Services	Global Customer Services	Other Segments	Reconciliation and Elimination	Total
Income								
From outside customers	\$ 2,902,234	\$ 5,086,040	\$ 1,442,598	\$ 4,123,276	\$ 2,279,971	\$ 134,452	\$ 625,415	\$ 16,593,986
Income from sales between segments	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	6,257	6,257
Income total	<u>\$ 2,902,234</u>	<u>\$ 5,086,040</u>	<u>\$ 1,442,598</u>	<u>\$ 4,123,276</u>	<u>\$ 2,279,971</u>	<u>\$ 134,452</u>	<u>\$ 631,672</u>	<u>\$ 16,600,243</u>

(Continued)

	September 30, 2010							
	Industrial Automation Services	Embedded Boards and Design-in Services	Intelligent Services	Design and Manufacturing Services	Global Customer Services	Other Segments	Reconciliation and Elimination	Total
Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,488	\$ 3,488
Depreciation and amortization	-	-	-	-	-	-	308,819	308,819
Income from equity-method investments	-	-	-	-	-	-	53,385	53,385
Segment profit or loss	<u>\$ 846,466</u>	<u>\$ 1,041,220</u>	<u>\$ 92,272</u>	<u>\$ 500,701</u>	<u>\$ 176,249</u>	<u>\$ -</u>	<u>\$ 138,998</u>	<u>\$ 2,795,906</u>
Investments accounted for by the equity method	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 388,086	\$ 388,086
Capital expense from noncurrent assets	-	-	-	-	-	-	730,272	730,272
Segment assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,976,214</u>	<u>\$ 17,976,214</u>

(Concluded)

The income above was generated from transactions with external customers. There were no sales between segments in the nine months ended September 30, 2011 and 2010.

Segment income refers to the profits made, excluding net investment gains accounted for by the equity method, stock dividends, gains from disposal of investments, net foreign exchange gains, other income, interest expense, impairment losses and other expenses. The information above is provided to the Parent Company's chief operating decision maker for allocating resources to the segments and assessing their performance.

24. OTHER

Information on the Group's foreign currency-denominated financial assets and liabilities with significant effect on the financial statements is as follows:

	September 30					
	2011			2010		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>						
Monetary items						
AUD	\$ 4,260	29.695	\$ 126,501	\$ 2,891	30.28	\$ 87,539
BRL	3,923	16.72	65,608	1,854	18.424	34,158
RMB	300,740	4.795	1,442,048	299,519	4.7160	1,412,532
EUR	8,253	41.23	340,271	3,334	42.58	141,962
GBP	861	47.48	40,880	142	49.6	7,038
JPY	534,708	0.398	212,814	561,648	0.375	210,618
KRW	9,390,661	0.026	244,157	8,103,144	0.028	226,888
MYR	3,721	9.174	34,136	3,561	9.72	34,609
PLN	803	9.405	7,552	678	10.759	7,295
SGD	4,222	23.51	99,259	2,586	23.76	61,443
THB	38,607	0.9836	37,974	12,867	1.0353	13,321
USD	224,221	30.480	6,834,256	171,781	31.26	5,369,874
Nonmonetary items						
KRW	76,199	0.026	1,981	1,034,783	0.028	28,974
USD	1,039	30.48	31,669	762	31.26	23,820
Investments accounted for by the equity method						
USD	479	30.48	14,598	474	31.26	14,823

(Continued)

September 30

	2011			2010		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Financial liabilities</u>						
Monetary items						
AUD	\$ 465	29.695	\$ 13,808	\$ 518	30.28	\$ 15,685
BRL	695	16.72	11,623	269	18.424	4,956
RMB	140,149	4.795	672,014	138,782	4.7160	654,496
EUR	12,303	41.23	507,253	2,370	42.58	100,915
GBP	660	47.48	31,337	21	49.6	1,041
JPY	61,898	0.398	24,635	56,430	0.375	21,161
KRW	900,877	0.026	23,423	1,727,681	0.028	48,375
SGD	451	23.51	10,603	662	23.76	15,729
USD	54,422	30.480	1,658,783	39,009	31.26	1,219,421
Nonmonetary items						
USD	4,011	30.48	122,255	1,483	31.26	46,359
						(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED
NINE MONTHS ENDED SEPTEMBER 30, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Financier	Counter-party	Financial Statement Account	Maximum Balance for the Period	Ending Balance	Interest Rate	Nature of Financing	Transaction Amount	Financing Reasons	Allowance for Bad Debt	Collateral		Maximum Amount of Financing to Individual Counter-party	Maximum Amount of Financing that Can Be Provided by the Financier
											Item	Value		
1	AEUH	AEU	Other receivable - related parties	\$ 39,581 (EUR 960 thousand)	\$ 39,581 (EUR 960 thousand)	4%	Short-term financing	\$ -	Financing need	\$ -	-	-	\$ 1,482,338 (Note B)	\$ 2,964,676 (Note B)
2	ANA	AEU	Other receivable - related parties	30,480 (US\$ 1,000 thousand)	-	2%	Short-term financing	-	Financing need	-	-	-	1,482,338 (Note B)	2,964,676 (Note B)
		AKMC	Other receivable - related parties	176,784 (US\$ 5,800 thousand)	170,688 (US\$ 5,600 thousand)	2%	Short-term financing	-	Financing need	-	-	-	1,482,338 (Note B)	2,964,676 (Note B)
3	AiSC	ACN	Other receivable - related parties	189,767 (RMB 39,576 thousand)	26,622 (RMB 5,552 thousand)	2%	Short-term financing	-	Financing need	-	-	-	143,850 (Note C)	143,850 (Note C)
4	Netstar Technology Co., Ltd.	LANSONIC (B.V.I)	Other receivable - related parties	3,676	-	-	Short-term financing	-	Financing need	-	-	-	42,324 (Note D)	42,324, (Note D)
5	Broadwin Technology Inc.	Netstar Technology Co., Ltd.	Other receivable - related parties	20,000	7,000	2%	Short-term financing	-	Financing need	-	-	-	31,257 (Note D)	31,257 (Note D)
6	Advantech Fund-A	Netstar Technology Co., Ltd.	Other receivable - related parties	12,000	4,000	2%	Short-term financing	-	Financing need	-	-	-	343,380 (Note D)	343,380 (Note D)
		Advantech Co., Ltd. (the "Company")	Other receivable - related parties	300,000	260,000	1.20%	Short-term financing	-	Financing need	-	-	-	343,380 (Note D)	343,380 (Note D)
		ACA	Other receivable - related parties	20,000	-	1.20%	Short-term financing	-	Financing need	-	-	-	343,380 (Note D)	343,380 (Note D)

Note A: The exchange rate was EUR1= NT\$41.23, US\$1=NT\$30.48 and RMB1=NT\$4.795.

Note B: The maximum amount of financing and the maximum amount of financing to individual counter-party that can be provided by the financier are 20% and 10% of the parent company's net asset value, respectively.

Note C: For more efficient use of capital among subsidiaries in Mainland China, the maximum amount of financing that can be provided by the financier is RMB30,000 thousand and will be handled over the Citibank account of ACN.

Note D: 40% of the net asset value of the financier.

Note E: All the transactions above have been eliminated from the consolidation.

ADVANTECH CO., LTD. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED

NINE MONTHS ENDED SEPTEMBER 30, 2011

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorsement/Guarantee Provider	Counter-party		Limits on Each Counter-party'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						
0	Advantech Co., Ltd. (the "Company")	AKMC	Indirect subsidiary	\$ 1,482,338 (Note A)	\$ 323,088 (US\$ 10,600 thousand)	\$ 323,088 (US\$ 10,600 thousand)	\$ -	2.18%	\$ 4,447,014 (Note B)
		Cermate Technologies Inc.	Indirect subsidiary	1,482,338 (Note A)	40,000	40,000	-	0.27%	4,447,014 (Note B)
		Advansus Corp.	Equity-method investee	1,482,338 (Note A)	100,000	100,000	-	0.67%	4,447,014 (Note B)
		Advantech Fund-A	Subsidiary	1,482,338 (Note A)	300,000	300,000	-	2.02%	4,447,014 (Note B)
		ACA	Subsidiary	1,482,338 (Note A)	50,000	50,000	-	0.34%	4,447,014 (Note B)
		AiST	Subsidiary	1,482,338 (Note A)	200,000	200,000	-	1.35%	4,447,014 (Note B)
		AAU	Subsidiary	1,482,338 (Note A)	6,096 (US\$ 200 thousand)	6,096 (US\$ 200 thousand)	-	0.04%	4,447,014 (Note B)
		1	AAC (HK)	AiSC	Indirect subsidiary	1,482,338 (Note A)	597,793 (RMB 124,670 thousand)	597,793 (RMB 124,670 thousand)	-
0	Advantech Co., Ltd. (the "Company")	DLoG GmbH	Indirect subsidiary	1,482,338 (Note A)	61,845 (EUR 1,500 thousand)	61,845 (EUR 1,500 thousand)	-	0.42%	4,447,014 (Note B)

Note A: 10% of the Company's net asset value.

Note B: 30% of the Company's net asset value.

Note C: The exchange rate was EUR1.00=NT\$41.23, US\$1=NT\$30.48 and RMB1.00=NT\$4.795.

Note D: All the transactions above have been eliminated from the consolidation.

ADVANTECH CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES AND LONG-TERM INVESTMENTS

NINE MONTHS ENDED SEPTEMBER 30, 2011

(In Thousands of New Taiwan Dollars/Foreign Currency)

Company Holding the Securities	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2011				Note	
				Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value		
Advantech Co., Ltd. (the "Company")	<u>Stock</u>								
	AAC (BVI)	Subsidiary	Long-term equity investments	29,623,834	\$ 2,380,063	100.00	\$ 2,384,164	Note A	
	ATC	"	"	38,750,000	2,557,403	100.00	2,564,378	Note A	
	Advansus Corp.	Equity-method investee	"	18,000,000	228,348	50.00	239,732	Note A	
	Advantech Fund-A	Subsidiary	"	90,000,000	854,750	100.00	858,449	Note A	
	Axiomtek	Equity-method investee	"	20,537,984	316,466	26.55	316,466	Note A	
	AEUH	Subsidiary	"	9,572,024	971,165	100.00	971,165	Note A	
	ASG	"	"	1,450,000	98,443	100.00	98,443	Note A	
	AAU	"	"	500,204	74,920	100.00	74,920	Note A	
	AJP	"	"	1,200	192,194	100.00	192,194	Note A	
	AMY	"	"	2,000,000	39,697	100.00	39,697	Note A	
	AHG	"	"	30	14,598	30.00	14,598	Note A	
	AKR	"	"	600,000	140,025	100.00	140,025	Note A	
	ABR	"	"	971,055	27,584	43.28	27,584	-	
	AiST	"	"	5,000,000	83,900	100.00	83,900	-	
	ACA	"	"	7,948,839	168,760	99.36	168,760	Note A	
	AHK	"	"	Other liability - others	999,999	(1,860)	100.00	(1,860)	Notes A and C
	ASUSTek Computer Inc.	-	-	Available for sale financial assets - noncurrent	7,314,461	1,689,641	0.97	1,689,641	Note B
	SGA	-	-	"	184,500	1,981	0.47	1,981	Note B
	Chunghwa Telecom Co., Ltd.	-	-	"	1,243,636	126,229	-	126,229	Note B
Pegatron Corp.	-	-	"	18,486,570	528,716	-	528,716	Note B	
Advantech Fund-A	<u>Stock</u>								
	Netstar Technology Co., Ltd.	Subsidiary	Long-term equity investments	21,632,265	197,307	86.53	197,160	Note A	
	BCM Embedded Computer Inc.	"	"	4,500,000	17,705	100.00	17,705	Note A	
	Broadwin Technology Inc.	"	"	6,777,571	153,361	100.00	153,361	Note A	
	Cermate Technologies Inc.	"	"	5,500,000	82,021	55.00	82,021	Note A	
	Axiomtek	-	"	1,559,000	34,376	2.02	34,376	Note A	
	Chunghwa Telecom Co., Ltd.	-	-	Available for sale financial assets - current	164,952	16,743	-	16,743	Note B
	Aver Information Inc.	-	-	Available for sale financial assets - non-current	808,500	30,642	0.91	30,642	Note B
COBAN Researchand Technologies, Inc.	-	-	Financial assets carried at cost - noncurrent	600,000	33,257	6.85	33,257	-	

(Continued)

Company Holding the Securities	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2011				Note
				Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value	
ATC	<u>Stock</u> ATC (HK)	Subsidiary	Long-term equity investments	41,650,001	\$ 1,785,515	100.00	\$ 1,785,515	Note A
ATC (HK)	<u>Stock</u> AKMC	Subsidiary	Long-term equity investments	-	1,785,515	100.00	1,785,515	Note A
AAC (BVI)	<u>Stock</u> ANA	Subsidiary	Long-term equity investments	10,952,606	1,238,010	100.00	1,238,010	Note A
	AAC (HK)	"	"	15,230,001	1,145,586	100.00	1,145,586	Note A
ANA	<u>Stock</u> ABR	-	Financial assets carried at cost - noncurrent	375,192	5,862	16.72	5,862	-
AAC (HK)	<u>Stock</u> ACN	Subsidiary	Long-term equity investments	-	645,860	100.00	645,860	Note A
	SHHQ	"	"	-	-	100.00	-	Note A
	AiSC	"	"	-	516,155	100.00	516,155	Note A
	AXA	"	"	-	(16,862)	100.00	(16,862)	Notes A and C
ACN	<u>Stock</u> Hangzhou Advantofine Automation Co., Ltd.	"	"	-	15,806	60.00	15,806	Note A
AEUH	<u>Stock</u> AEU	"	"	8,314,280	98,728	100.00	98,728	Note A
	APL	"	"	6,836	39,239	100.00	39,239	Note A
	DLoG	"	"	1	616,215	100.00	616,215	Note A
AEU	<u>Stock</u> Innocore	"	"	251,111	161,274	100.00	161,274	Note A
Innocore	<u>Stock</u> IGL	"	"	501,000	46,335	100.00	46,335	Note A
ASG	<u>Stock</u> ATH	"	"	51,000	17,941	51.00	17,941	Note A
Netstar Technology Co., Ltd.	<u>Stock</u> Jan Hsiang Electronics Co., Ltd.	"	Long-term equity investments	655,500	7,083	28.50	7,083	Note A
Broadwin Technology Inc.	<u>Stock</u> Broadwin Technology Inc.	"	Long-term equity investments	5,643,650	14,337	100.00	14,337	Note A
Cermate Technologies Inc	<u>Stock</u> Land Mark	"	Long-term equity investments	972,284	43,191	100.00	43,191	Note A

(Continued)

Company Holding the Securities	Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	September 30, 2011				Note
				Shares	Carrying Value	Percentage of Ownership	Market Value or Net Asset Value	
Land Mark	<u>Stock</u>							
	Cermate (Shanghai)	"	Long-term equity investments	-	\$ 23,938	100.00	\$ 23,938	Note A
	Cermate (Shenzhen)	"	"	-	19,126	90.00	19,126	Note A

Note A: The financial statements used as basis of net asset values were all unreviewed.

Note B: Market value was based on the closing price on September 30, 2011.

Note C: The credit balance on investment carrying value is shown as part of other liabilities.

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 NINE MONTHS ENDED SEPTEMBER 30, 2011
 (In Thousands of New Taiwan Dollars)

Company Name	Type of Property	Transaction Date	Transaction Amount	Payment Term	Counter-party	Nature of Relationship	Prior Transaction made by Related Counter-party				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationship	Transfer Date	Amount			
Advantech Co., Ltd. (the "Company")	Real estate	2011.01	\$ 1,511,941	Paid in full by contract requirements	Tung Ho Steel Enterprise Corporation	None	-	-	-	\$ -	Real estate appraisal	For the Company's expansion need	None

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, 2011
 (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.	AEU	Indirect subsidiary	Sale	\$ (1,850,011)	13.02%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	\$ 872,748	35.81%	
	ACN	Indirect subsidiary	Sale	(1,686,281)	11.87%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	367,321	15.07%	
	AKMC	Indirect subsidiary	Sale	(332,087)	2.34%	Set for 30 days after a month	Contract price	No significant difference from terms for related parties	64,727	2.66%	
	AJP	Subsidiary	Sale	(275,861)	1.94%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	44,366	1.82%	
	AiSC	Indirect subsidiary	Sale	(1,318,883)	9.28%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	417,246	17.12%	
	ANA	Indirect subsidiary	Sale	(3,830,009)	26.95%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	498,773	20.46%	
	AKR	Subsidiary	Sale	(290,238)	2.04%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	47,845	1.96%	
	AAU	Subsidiary	Sale	(124,683)	0.88%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	44,234	1.81%	
	Advantech Co., Ltd.	ATC	Subsidiary	Purchase	4,948,017	49.76%	Set for 60 days a month	Contract price	No significant difference from terms for related parties	(1,100,729)	90.43%
Advansus Corp.		Subsidiary	Purchase	957,475	9.63%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	(86,629)	7.12%	
AiST		Subsidiary	Purchase	413,480	4.16%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	(7)	-	
ACA		Subsidiary	Purchase	147,786	1.49%	Set for 60 days a month	Contract price	No significant difference from terms for related parties	(10,183)	0.84%	
ATC	Advantech Co., Ltd.	Ultimate parent company	Sale	(4,948,017)	99.29%	Set for 60 days a month	Contract price	No significant difference from terms for related parties	1,100,729	95.23%	
Advansus Corp.	Advantech Co., Ltd.	Ultimate parent company	Sale	(957,475)	81.18%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	86,629	55.42%	
AiST	Advantech Co., Ltd.	Ultimate parent company	Sale	(413,480)	35.06%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	7	0.01%	
ACA	Advantech Co., Ltd.	Ultimate parent company	Sale	(147,786)	12.53%	Set for 60 days a month	Contract price	No significant difference from terms for related parties	10,183	6.32%	

(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	
ANA	Advantech Co., Ltd.	Ultimate parent company	Purchase	\$ 3,830,009	87.30%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	\$ (498,773)	76.57%	
AEU	Advantech Co., Ltd.	Ultimate parent company	Purchase	1,850,011	86.61%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	(872,748)	100.00%	
ACN	Advantech Co., Ltd.	Ultimate parent company	Purchase	1,686,281	72.96%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	(367,321)	66.48%	
AKMC	Advantech Co., Ltd.	Ultimate parent company	Purchase	332,087	6.97%	Set for 30 days after a month	Contract price	No significant difference from terms for related parties	(64,727)	5.77%	
AJP	Advantech Co., Ltd.	Ultimate parent company	Purchase	275,861	95.95%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	(44,366)	99.19%	
AiSC	Advantech Co., Ltd.	Ultimate parent company	Purchase	1,318,883	68.47%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	(417,246)	67.02%	
AKR	Advantech Co., Ltd.	Ultimate parent company	Purchase	290,238	53.61%	Set for 45 days a month	Contract price	No significant difference from terms for related parties	(47,845)	52.55%	
AAU	Advantech Co., Ltd.	Ultimate parent company	Purchase	124,683	23.03%	Set for 30 days a month	Contract price	No significant difference from terms for related parties	(44,234)	71.04%	
ACN	AiSC	Related enterprise	Sale	(217,648)	8.12%	Set for 45 days a month	Mark-up pricing	No significant difference from terms for related parties	136,022	18.16%	
AiSC	ACN	Related enterprise	Sale	(161,506)	7.22%	Set for 45 days a month	Mark-up pricing	No significant difference from terms for related parties	43,451	6.26%	
AKMC	ATC	Related enterprise	Sale	(4,659,882)	92.67%	Set for 30 days after a month	Mark-up pricing	No significant difference from terms for related parties	336,830	79.90%	
AKMC	Netstar Technology Co., Ltd.	Related enterprise	Sale	(204,959)	4.08%	Set for 60 days after a month	Mark-up pricing	No significant difference from terms for related parties	54,902	62.45%	
Advansus Corp.	AiST	Related enterprise	Sale	(130,951)	11.10%	About 60 to 90 days	Mark-up pricing	No significant difference from terms for related parties	-	-	
Advansus Corp.	AKMC	Related enterprise	Sale	(408,947)	34.67%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	57,996	74.20%	
AiST	Advansus Corp.	Related enterprise	Sale	(298,721)	28.80%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	2,572	4.70%	
AiST	AKMC	Related enterprise	Sale	(277,795)	26.78%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	-	-	

(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	
AISC	ACN	Related enterprise	Purchase	\$ 217,648	11.30%	Set for 45 days a month	Mark-up pricing	No significant difference from terms for related parties	\$ (136,022)	21.85%	
ACN	AISC	Related enterprise	Purchase	161,506	6.99%	Set for 45 days a month	Mark-up pricing	No significant difference from terms for related parties	(43,451)	7.86%	
ATC	AKMC	Related enterprise	Purchase	4,659,882	3.42%	Set for 30 days after a month	Mark-up pricing	No significant difference from terms for related parties	(336,830)	97.41%	
Netstar Technology Co., Ltd.	AKMC	Related enterprise	Purchase	204,959	98.40%	Set for 60 days after a month	Mark-up pricing	No significant difference from terms for related parties	(54,902)	79.34%	
AiST	Advansus Corp.	Related enterprise	Purchase	130,951	13.07%	About 60 to 90 days	Mark-up pricing	No significant difference from terms for related parties	-	-	
AKMC	Advansus Corp.	Related enterprise	Purchase	408,947	8.59%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	(57,996)	2.48%	
Advansus Corp.	AiST	Related enterprise	Purchase	298,721	55.42%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	(2,572)	1.24%	
AKMC	AiST	Related enterprise	Purchase	277,795	5.83%	Set for 30 days a month	Mark-up pricing	No significant difference from terms for related parties	-	-	

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
NINE MONTHS ENDED SEPTEMBER 30, 2011
(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 Bad Debts
					Amount	Action Taken		
Advantech Co., Ltd.	AEU	Indirect subsidiary	\$ 872,748	2.82	\$ -	-	\$ -	\$ -
	ANA	Indirect subsidiary	498,773	11.74	-	-	2,410	-
	ACN	Indirect subsidiary	367,321	4.87	-	-	60,279	-
	AiSC	Indirect subsidiary	417,246	4.09	-	-	180,836	-
ATC	Advantech Co., Ltd.	Parent company	1,100,729	0.21	-	-	475,568	-
AKMC	ATC	Patent company	336,920	17.43	-	-	60,280	-
ACN	AiSC	Related enterprise	136,059	4.42	-	-	-	-

Note: All the transactions above have been eliminated from the consolidation.

ADVANTECH CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
NINE MONTHS ENDED SEPTEMBER 30, 2011
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss) (Note B)	Note
				September 30, 2011	December 31, 2010	Shares	Percentage of Ownership	Carrying Value			
Advantech Co., Ltd.	AAC (BVI)	BVI	Investment holding company	\$ 993,108	\$ 1,078,934	29,623,834	100.00	\$ 2,380,063	\$ 319,015	\$ 316,945	Subsidiary
	ATC	BVI	Sale of industrial automation products	1,231,118	1,231,118	38,750,000	100.00	2,557,403	11,386	11,923	Subsidiary
	Advansus Corp.	Taipei, Taiwan	Production and sale of industrial automation products	180,000	180,000	18,000,000	50.00	228,348	55,820	23,283	Equity-method investee
	AEUH	Helmond, The Netherlands	Investment holding company	1,146,489	1,146,489	9,572,024	100.00	971,165	80,730	80,730	Subsidiary
	Advantech Fund-A	Taipei, Taiwan	Investment and management service	900,000	900,000	90,000,000	100.00	854,750	33,705	33,477	Subsidiary
	Axiomtek	Taipei, Taiwan	Production and sale of industrial automation products	249,059	261,681	20,537,984	26.55	316,466	115,245	26,284	Equity-method investee
	ASG	Techplace, Singapore	Sale of industrial automation products	27,134	27,134	1,450,000	100.00	98,443	14,615	14,615	Subsidiary
	AAU	Sydney, Australia	Sale of industrial automation products	40,600	40,600	500,204	100.00	74,920	3,180	3,180	Subsidiary
	AJP	Tokyo, Japan	Sale of industrial automation products	15,472	15,472	1,200	100.00	192,194	19,042	19,042	Subsidiary
	AYS	Cayman Islands	Sale of industrial automation products	-	5,927	-	-	-	-	-	Subsidiary
	AMY	Malaysia	Sale of industrial automation products	35,140	35,140	2,000,000	100.00	39,697	4,281	4,281	Subsidiary
	AHG	Budapest, Hungary	Sale of industrial automation products	5,215	5,215	30	30.00	14,598	-	152	Equity-method investee
	AKR	Seoul, Korea	Sale of industrial automation products	73,355	73,355	600,000	100.00	140,025	45,220	45,220	Subsidiary
	ABR	Sao Paulo, Brazil	Sale of industrial automation products	-	-	971,055	43.28	27,584	17,821	10,693	Subsidiary
	AiST	Taipei, Taiwan	Sale of industrial automation products	50,000	50,000	5,000,000	100.00	83,900	33,713	33,713	Subsidiary
	AHK	Mongkok, Hong Kong	Sale of industrial automation products	4,393	4,393	999,999	100.00	(1,860)	3,930	3,930	Subsidiary (Note A)
ACA	Taipei, Taiwan	Sale of industrial automation products	91,650	-	7,948,839	99.36	168,760	27,428	27,103	Subsidiary	
Advantech Fund-A	Netstar Technology Co., Ltd.	Taipei, Taiwan	Production and sale of industrial automation products	264,305	245,068	21,632,265	86.53	197,160	(2,592)	(2,004)	Indirect subsidiary
	BCM Embedded Computer Inc.	Taipei, Taiwan	Telecommunications equipment and electronic parts manufacturing	45,500	45,500	4,500,000	100.00	17,705	1,308	1,308	Indirect subsidiary
	Broadwin Technology, Inc.	Taipei, Taiwan	Assembly and production of computers	142,063	142,063	6,777,571	100.00	153,361	7,670	7,670	Indirect subsidiary
	Cermate Technologies Inc.	Taipei, Taiwan		71,500	71,500	5,500,000	55.00	82,021	12,187	6,703	Indirect subsidiary
ATC	ATC (HK)	Hong Kong	Investment holding company	1,212,730	1,212,730	41,650,001	100.00	1,785,515	46,791	46,791	Indirect subsidiary
ATC (HK)	AKMC	Kunshan, China	Production and sale of components of industrial automation products	1,212,730	1,212,730	-	100.00	1,785,515	46,791	46,791	Indirect subsidiary
AAC (BVI)	ANA	Sunnyvale, USA	Sale and fabrication of industrial automation products	504,179	504,179	10,952,606	100.00	1,238,010	126,425	126,425	Indirect subsidiary
	AAC (HK)	Hong Kong	Investment holding company	539,146	539,146	15,230,001	100.00	1,145,586	195,867	195,867	Indirect subsidiary
AAC (HK)	ACN	Beijing, China	Sale of industrial automation products	185,356	185,356	-	100.00	645,860	93,236	93,236	Indirect subsidiary
	SHHQ	Shanghai, China	Sale of industrial automation products	-	96,750	-	-	-	10	10	Indirect subsidiary
	AiSC	Shanghai, China	Sale of industrial automation products	257,040	257,040	-	100.00	516,155	127,039	127,039	Indirect subsidiary
	AXA	Xi'an, China	Development and production of software products	32,960	32,960	-	100.00	(16,862)	(24,034)	(24,034)	Indirect subsidiary (Note A)
ACN	Hangzhou Advantofine Automation Co., Ltd.	Hangzhou, China	Processes and sale of peripherals	13,727	13,727	-	60.00	15,806	203	122	Equity-method investee
AEUH	AEU	Eindhoven, The Netherlands	Sale of industrial automation products	256,473	256,473	8,314,280	100.00	98,728	23,542	13,372	Indirect subsidiary
	APL	Warsaw, Poland	Sale of industrial automation products	14,176	10,285	6,836	100.00	39,239	4,499	4,499	Indirect subsidiary
	DLoG	Munich, Germany	Sale of industrial automation products	553,536	553,536	1	100.00	616,215	80,773	58,903	Indirect subsidiary
AEU	Innocore	England	Design, R&D and sale of gaming computing products	166,023	166,023	251,111	100.00	161,274	10,605	435	Indirect subsidiary
Innocore	IGL	England	Design, R&D and sale of gaming computing products	166,023	166,023	501,000	100.00	46,335	10,605	10,605	Indirect subsidiary
ASG	ATH	Thailand	Production of computers	7,537	7,537	51,000	51.00	17,941	7,411	3,780	Indirect subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss) (Note B)	Note
				September 30, 2011	December 31, 2010	Shares	Percentage of Ownership	Carrying Value			
Netstar Technology Co., Ltd.	Jan Hsiang Electronics Co., Ltd. LANSONIC (B.V.I.)	Taipei, Taiwan BVI	Electronic parts and components manufacturing	\$ 3,719	\$ 3,719	\$ 655,500	28.50	\$ 7,083	\$ 5,285	\$ 1,506	Indirect subsidiary
			General investment	-	101,188	-	-	-	3,287	3,117	Indirect subsidiary
Broadwin Technology, Inc.	Broadwin Technology Inc.	San Ramon, USA	Sale of Webaccess software	69,492	69,492	5,643,650	100.00	14,337	(75)	(75)	Indirect subsidiary
Cermate Technologies Inc.	LandMark	BVI	General investment	28,200	28,200	972,284	100.00	43,191	8,858	8,858	Indirect subsidiary
LandMark	Cermate (Shanghai) Cermate (Shenzhen)	Shanghai, China Shenzhen, China	Sale of industrial electronic products	US\$ 572	US\$ 572	-	100.00	23,938	2,630	2,630	Indirect subsidiary
			Manufacture of LCD touch panel, USB data cable and industrial automation products	US\$ 308	US\$ 308	-	90.00	19,126	6,921	6,229	Indirect subsidiary

Note A: The carrying value is shown as part of other liabilities.

Note B: The financial statements used as basis of net asset values were not reviewed by CPA.

(Concluded)

ADVANTECH CO., LTD. AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA

NINE MONTHS ENDED SEPTEMBER 30, 2011

(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, 2011	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2011	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of September 30, 2011	Accumulated Inward Remittance of Earnings as of September 30, 2011
					Outflow	Inflow					
Advantech Technology (China) Company Ltd. (AKMC)	Production and sale of components of industrial automation products	US\$41,650 thousand	Indirect	\$ 1,136,904 (US\$ 37,300 thousand)	\$ -	\$ -	\$ 1,136,904 (US\$ 37,300 thousand)	100%	\$ 46,791	\$ 1,785,515	\$ -
Yan Hua Xing Ye Electronic (SHHQ)	Sale of industrial automation products	US\$3,000 thousand	Indirect	91,440 (US\$ 3,000 thousand)	-	91,440 (US\$ 3,000 thousand)	-	-	10	-	-
Beijing Yan Hua Xing Ye Electronic Science & Technology Co., Ltd. (ACN)	Sale of industrial automation products	US\$4,230 thousand	Indirect	162,519 (US\$ 5,332 thousand)	-	-	162,519 (US\$ 5,332 thousand)	100%	93,236	645,860	342,443 (US\$ 11,235 thousand)
Shanghai Advantech Intelligent Services Co., Ltd. (AiSC)	Production and sale of industrial automation products	US\$8,000 thousand	Indirect	234,840 (US\$ 8,000 thousand)	-	-	234,840 (US\$ 8,000 thousand)	100%	127,039	516,155	-
Xi'an Advantech Software Ltd. (AXA)	Development and production of software products	US\$1,000 thousand	Indirect	(Note C)	-	-	(Note C)	100%	(24,034)	(16,862)	-

Accumulated Investment in Mainland China as of September 30, 2011	Investment Amounts Authorized by Investment Commission, MOEA	Maximum Allowable Limit on Investment
\$1,549,359 (US\$50,832 thousand) (Note D)	\$2,682,240 (US\$88,000 thousand)	\$8,955,611 (Note F)

Note A: The financial statements used as basis of net asset values were not reviewed by CPA.

Note B: The significant events, prices, payment terms and unrealized gains or losses generated on trading between Advantech Co., Ltd. and its investees in Mainland China are described in Note 18 to the financial statements and Tables 1, 2, 5 and 6.

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

Note D: Included the outflow on investment in Yan Hua (Guang Zhou Bao Shui Qu) Co., Ltd. (AGZ) of US\$200 thousand. This company had liquidated already, after the capitals of the original investment is inflow back, the Company will submit this incident to MOEA for approving and terminating this case under the regulation.

Note E: The exchange rate was US\$1.00=NT\$30.48.

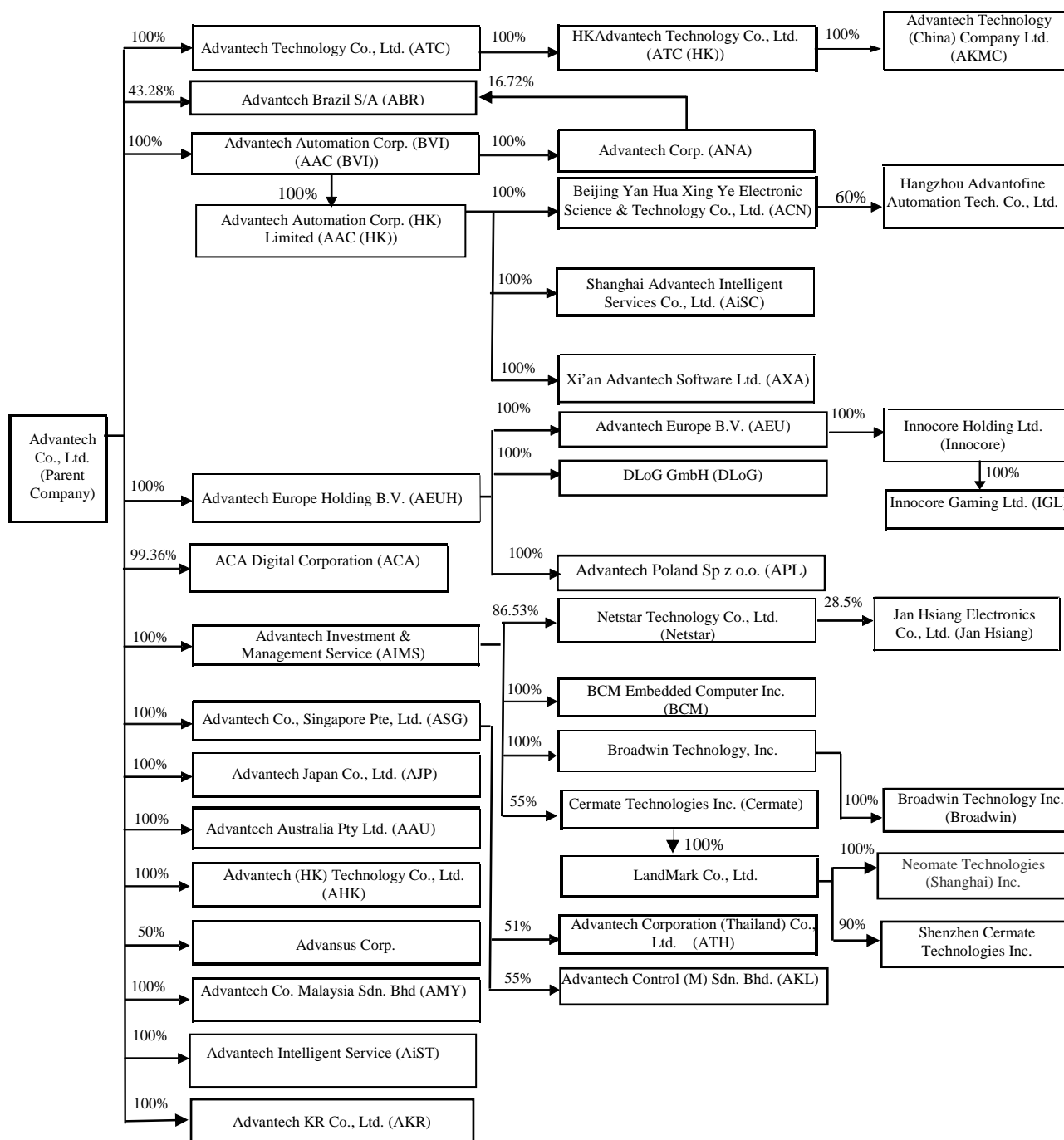
Note F: The maximum allowable limit on investment was based on 60% of the consolidated net asset value of Advantech Co., Ltd. (the "Company").

TABLE 9

ADVANTECH CO., LTD. AND SUBSIDIARIES

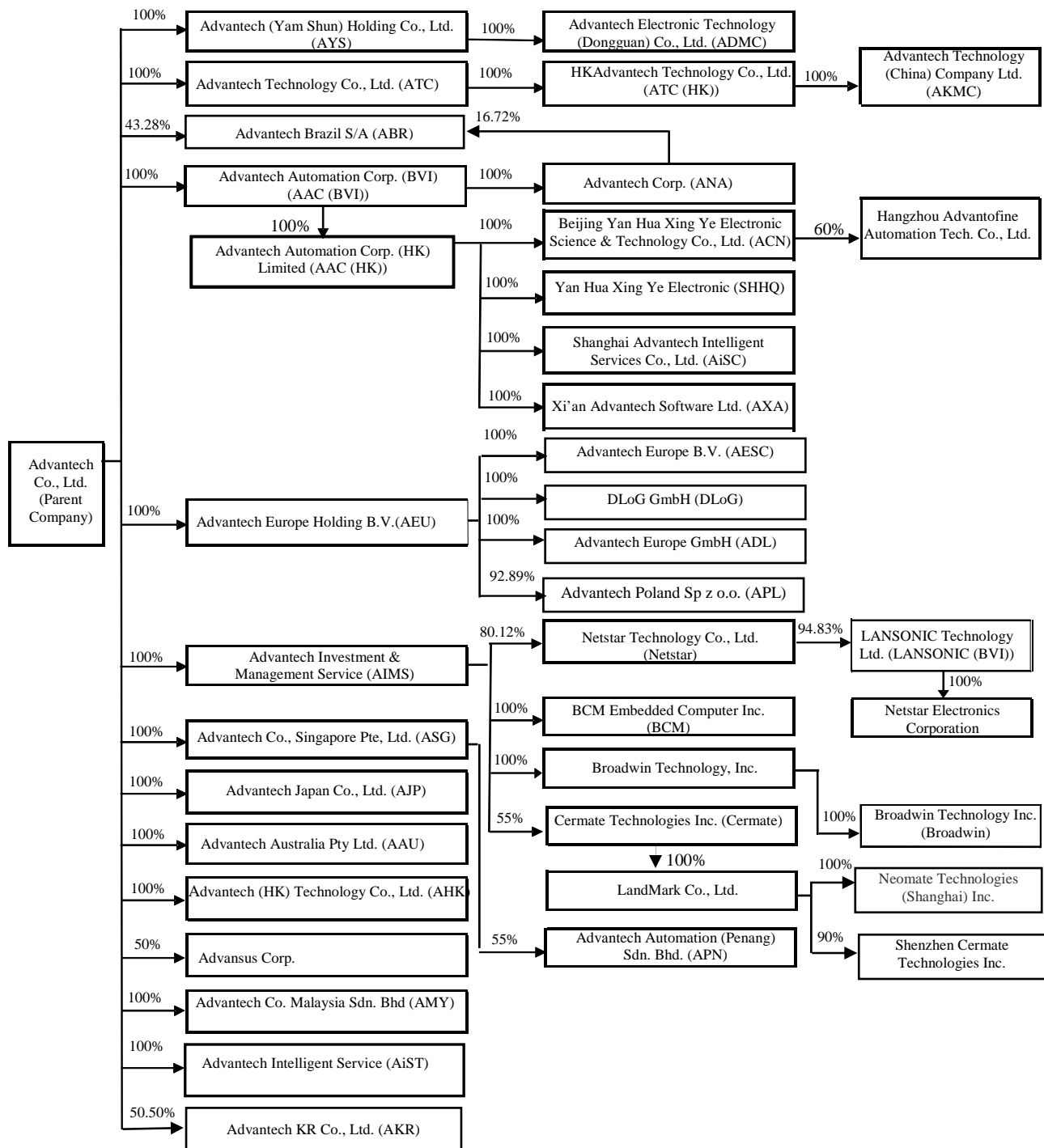
**ORGANIZATION CHART
SEPTEMBER 30, 2011 and 2010**

Intercompany relationships and percentages of ownership as of September 30, 2011 are shown below:



Note: Advansus Corp. was consolidated under the proportionate consolidation method.

Intercompany relationships and percentages of ownership as of September 30, 2010 are shown below:



Note: Advansus Corp. was consolidated under the proportionate consolidation method.

ADVANTECH CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS BETWEEN ADVANTECH CO., LTD. AND SUBSIDIARIES
NINE MONTHS ENDED SEPTEMBER 30, 2011 and 2010
(In Thousands of New Taiwan Dollars)

September 30, 2011

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
0	Advantech Co., Ltd.	AAC (HK)	1	Receivables from related parties	\$ 337	45 days	-
	Advantech Co., Ltd.	ATC	1	Purchase	4,948,017	Normal	37
	Advantech Co., Ltd.	ANA	1	Sales	3,830,009	Normal	28
	Advantech Co., Ltd.	AEU	1	Sales	1,850,011	Normal	14
	Advantech Co., Ltd.	ACN	1	Sales	1,686,281	Normal	13
	Advantech Co., Ltd.	ATC	1	Payables to related parties	1,100,729	60 days	5
	Advantech Co., Ltd.	AiSC	1	Sales	1,318,883	Normal	10
	Advantech Co., Ltd.	Advansus Corp.	1	Purchase	957,475	Normal	2
	Advantech Co., Ltd.	ACN	1	Receivables from related parties	371,508	45 days	2
	Advantech Co., Ltd.	AiSC	1	Receivables from related parties	417,535	45 days	2
	Advantech Co., Ltd.	ANA	1	Receivables from related parties	500,495	45 days	3
	Advantech Co., Ltd.	AiST	1	Purchase	413,480	Normal	2
	Advantech Co., Ltd.	AKMC	1	Sales	332,087	Normal	2
	Advantech Co., Ltd.	AKR	1	Sales	290,238	Normal	2
	Advantech Co., Ltd.	AJP	1	Sales	275,861	Normal	2
	Advantech Co., Ltd.	ATC	1	Royalty income	247,754	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Payables to related parties	86,629	60-90 days	1
	Advantech Co., Ltd.	AAU	1	Sales	124,683	Normal	1
	Advantech Co., Ltd.	ANA	1	Purchase	95,218	Normal	1
	Advantech Co., Ltd.	ASG	1	Sales	90,392	Normal	-
	Advantech Co., Ltd.	AKR	1	Receivables from related parties	48,784	Prompt collection	-
	Advantech Co., Ltd.	ABR	1	Sales	65,122	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Purchase	56,211	Normal	-
	Advantech Co., Ltd.	AAU	1	Receivables from related parties	45,523	60-90 days	-
	Advantech Co., Ltd.	AJP	1	Receivables from related parties	45,403	60-90 days	-
	Advantech Co., Ltd.	ATH	1	Sales	48,096	Normal	-
	Advantech Co., Ltd.	ASG	1	Receivables from related parties	19,393	60-90 days	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Payables to related parties	12,741	60 days	1
	Advantech Co., Ltd.	ACA	1	Purchase	147,786	Normal	-
	Advantech Co., Ltd.	AMY	1	Sales	27,715	Normal	-
	Advantech Co., Ltd.	ABR	1	Receivables from related parties	22,625	90 days	-
	Advantech Co., Ltd.	ACN	1	Other revenue	21,217	Normal	-
	Advantech Co., Ltd.	ACA	1	Sales	33,494	Normal	-
	Advantech Co., Ltd.	AiST	1	Sales	26,378	Normal	-
	Advantech Co., Ltd.	ANA	1	Other revenue	14,763	Normal	-
	Advantech Co., Ltd.	ANA	1	Payables to related parties	15,492	45 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	Advantech Co., Ltd.	AiST	1	Payables to related parties	\$ 7	30 days	-
	Advantech Co., Ltd.	Cermate	1	Purchase	13,276	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Other revenue	13,485	Normal	-
	Advantech Co., Ltd.	AJP	1	Other revenue	11,973	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Sales	10,042	Normal	-
	Advantech Co., Ltd.	AMY	1	Receivables from related parties	6,539	45 days	-
	Advantech Co., Ltd.	ATH	1	Receivables from related parties	8,168	30 days after invoice date	-
	Advantech Co., Ltd.	ACN	1	Purchase	12,288	Normal	-
	Advantech Co., Ltd.	Innocore	1	Sales	6,151	Normal	-
	Advantech Co., Ltd.	AEU	1	Other revenue	9,610	Normal	-
	Advantech Co., Ltd.	DLoG	1	Sales	9,083	Normal	-
	Advantech Co., Ltd.	APL	1	Sales	8,214	Normal	-
	Advantech Co., Ltd.	AKR	1	Purchase	4,713	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Receivables from related parties	2,419	60-90 days	-
	Advantech Co., Ltd.	ACA	1	Receivables from related parties	14,251	30 days	-
	Advantech Co., Ltd.	Advansus Corp.	1	Rental revenue	5,265	Normal	-
	Advantech Co., Ltd.	AHK	1	Operating expense	4,955	Normal	-
	Advantech Co., Ltd.	ASG	1	Operating expense	3,526	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Purchase	2,285	Normal	-
	Advantech Co., Ltd.	AKR	1	Other revenue	3,607	Normal	-
	Advantech Co., Ltd.	DLoG	1	Receivables from related parties	2,483	30 days after invoice date	-
	Advantech Co., Ltd.	APL	1	Receivables from related parties	1,981	45 days	-
	Advantech Co., Ltd.	Cermate	1	Payables to related parties	1,076	Half-year payment (June, December)	-
	Advantech Co., Ltd.	AEU	1	Payables to related parties	569	30 days	-
	Advantech Co., Ltd.	AAU	1	Other revenue	1,937	Normal	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Sales	1,820	Normal	-
	Advantech Co., Ltd.	ACN	1	Payables to related parties	2,076	30 days	-
	Advantech Co., Ltd.	ASG	1	Other revenue	1,677	Normal	-
	Advantech Co., Ltd.	ASG	1	Payables to related parties	594	60-90 days	-
	Advantech Co., Ltd.	Advantech Fund-A	1	Interest expense	1,367	Normal	-
	Advantech Co., Ltd.	DLoG	1	Other revenue	2,993	Normal	-
	Advantech Co., Ltd.	AMY	1	Other revenue	1,057	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Sales	596	Normal	-
	Advantech Co., Ltd.	ABR	1	Other revenue	887	Normal	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Receivables from related parties	652	60 days	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Other revenue	720	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Other revenue	720	Normal	-
	Advantech Co., Ltd.	AEU	1	Purchase	1,622	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Rental revenue	585	Normal	-
	Advantech Co., Ltd.	AMY	1	Operating expense	459	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Sales	2,701	Normal	-
	Advantech Co., Ltd.	Cermate	1	Other revenue	540	Normal	-
	Advantech Co., Ltd.	AJP	1	Payables to related parties	11	60-90 days	-
	Advantech Co., Ltd.	ACA	1	Payables to related parties	10,183	30 days	-
	Advantech Co., Ltd.	ATH	1	Other revenue	343	Normal	-
	Advantech Co., Ltd.	ADL	1	Receivables from related parties	334	30 days	-
	Advantech Co., Ltd.	ADL	1	Payables to related parties	11	30 days after invoice date	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	Advantech Co., Ltd.	APL	1	Payables to related parties	\$ 298	30 days after invoice date	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Receivables from related parties	68	30 days	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Purchase	170	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Receivables from related parties	2,573	25th of every quarter	-
	Advantech Co., Ltd.	ATH	1	Purchase	39	Normal	-
	Advantech Co., Ltd.	Cermate	1	Sales	162	Normal	1
	Advantech Co., Ltd.	APL	1	Purchase	71	Normal	-
	Advantech Co., Ltd.	AAU	1	Purchase	58	Normal	-
	Advantech Co., Ltd.	AAU	1	Payables to related parties	37	60-90 days	-
	Advantech Co., Ltd.	Advantech Fund-A	1	Rental revenue	27	Normal	-
	Advantech Co., Ltd.	Cermate	1	Receivables from related parties	62	Half-year payment (June, December)	4
	Advantech Co., Ltd.	AJP	1	Purchase	9	Normal	-
	Advantech Co., Ltd.	AKMC	1	Receivables from related parties	64,727	45 days	13
	Advantech Co., Ltd.	Advantech Fund-A	1	Payables to related parties	260,000	Normal	2
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Payables to related parties	21	60 days	-
	Advantech Co., Ltd.	AMY	1	Payables to related parties	79	Normal	-
	Advantech Co., Ltd.	AKR	1	Payables to related parties	107	60 days	1
	Advantech Co., Ltd.	DLoG	1	Payables to related parties	173	30 days after invoice date	1
	Advantech Co., Ltd.	AEU	1	Receivables from related parties	875,034	30 days	-
	Advantech Co., Ltd.	Hangzhou Advantofine Automation tech. Co., Ltd.	1	Purchase	315	Normal	-
	Advantech Co., Ltd.	ASG	1	Purchase	13	Normal	-
	Advantech Co., Ltd.	DLoG	1	Purchase	912	Normal	-
1	ACN	ACA	3	Receivables from related parties	6,898	30 days	-
	ACN (ASZ)	ACN (ABJ)	3	Receivables from related parties	757	Prompt collection	-
	ACN	Advantech Co., Ltd.	2	Purchase	1,686,281	Normal	-
	ACN	Advantech Co., Ltd.	2	Payables to related parties	371,508	45 days	-
	ACN	Advantech Co., Ltd.	2	Other expense	21,217	Normal	-
	ACN	Advantech Co., Ltd.	2	Sales	12,288	Normal	-
	ACN	Advantech Co., Ltd.	2	Receivables from related parties	2,076	30 days	-
	ACN	AiSC	3	Sales	217,910	Normal	-
	ACN (ABJ)	AiSC	3	Purchase	161,700	Normal	-
	ACN	AiSC	3	Receivables from related parties	138,850	Prompt collection	-
	ACN (ABJ)	AiSC	3	Payables to related parties	97,079	25th of every month	-
	ACN	AXA	3	Receivables from related parties	37,398	60 days	-
	ACN	AKMC	3	Sales	17,127	Normal	-
	ACN	AKMC	3	Purchase	16,203	Normal	-
	ACN	ACA	3	Sales	5,532	Normal	-
	CAN	ASZ (ACN)	3	Receivables from related parties	4,339	45 days	-
	ACN (ASZ)	ACN	3	Payables to related parties	4,339	45 days	1
	ACN	AKMC	3	Payables to related parties	4,309	60-90 days	-
	ACN	AKMC	3	Receivables from related parties	3,445	60-90 days	-
	ACN	AKMC	3	Rental expense	2,691	Normal	-
	ACN (ABJ)	AiSC	3	Interest expense	1,324	Normal	-
	ACN	AEUH	3	Sales	1,009	Normal	-
	ACN	AAU	3	Sales	774	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	ACN (ABJ)	ACN (ASZ)	3	Payables to related parties	\$ 757	45 days	-
	ACN	ANA	3	Purchase	286	Normal	-
	ACN	AAU	3	Receivables from related parties	255	30th of every month	-
	ACN	AEUH	3	Receivables from related parties	159	30 days	-
	ACN	ANA	3	Payables to related parties	58	30 days	-
	ACN	BCM	3	Receivables from related parties	42	45 days	-
	ACN	AKR	3	Receivables from related parties	34	45 days	-
	ACN	AJP	3	Sales	32	Normal	-
	ACN	AKR	3	Sales	27	Normal	-
	ACN	AMY	3	Sales	25	Normal	-
	ACN	AiSC	3	Interest revenue	17	Normal	-
2	AAU	Advantech Co., Ltd.	2	Purchase	124,683	Normal	-
	AAU	Advantech Co., Ltd.	2	Payables to related parties	45,523	60-90 days	-
	AAU	Advantech Co., Ltd.	2	Other expense	1,937	Normal	-
	AAU	Advantech Co., Ltd.	2	Sales	58	Normal	-
	AAU	Advantech Co., Ltd.	2	Receivables from related parties	37	60-90 days	-
	AAU	ACN	3	Purchase	774	Normal	-
	AAU	ACN	3	Payables to related parties	255	30th of every month	-
	AAU	DLoG	3	Payables to related parties	230	30 days after invoice date	-
	AAU	DLoG	3	Purchase	229	Normal	-
	AAU	AEU	3	Purchase	157	Normal	-
	AAU	ASG	3	Receivables from related parties	53	30 days	-
	AAU	ANA	3	Purchase	41	Normal	-
	AAU	ANA	3	Payables to related parties	28	60-90 days	-
	AAU	AEU	3	Receivables from related parties	6	30 days after invoice date	-
3	ABR	Advantech Co., Ltd.	2	Purchase	65,122	Normal	-
	ABR	Advantech Co., Ltd.	2	Payables to related parties	22,625	90 days	-
	ABR	Advantech Co., Ltd.	2	Other expense	887	Normal	-
	ABR	DLoG	3	Purchase	57	Normal	-
4	ACA	AKMC	3	Receivables from related parties	64,670	45 days	-
	ACA	Advansus Corp.	3	Receivables from related parties	52,969	45 days	-
	ACA	AKMC	3	Sales	61,371	Normal	-
	ACA	AiST	3	Payables to related parties	52,148	45 days	2
	ACA	Advansus Corp.	3	Sales	47,820	Normal	1
	ACA	AiST	3	Purchase	46,977	Normal	1
	ACA	Advantech Co., Ltd.	2	Sales	147,786	Normal	-
	ACA	Advantech Co., Ltd.	2	Purchase	33,494	Normal	1
	ACA	Advantech Co., Ltd.	2	Payables to related parties	14,251	30 days	-
	ACA	Advantech Co., Ltd.	2	Receivables from related parties	10,183	30 days	-
	ACA	Advansus Corp.	3	Purchase	30,779	Normal	-
	ACA	Advansus Corp.	3	Payables to related parties	15,559	30 days	-
	ACA	ACN	3	Payables to related parties	6,898	60-90 days	-
	ACA	ACN	3	Purchase	5,532	Normal	-
	ACA	Advantech Fund-A	3	Interest expense	65	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
5	ADL (AUK)	Innocore	3	Receivables from related parties	\$ 21,763	Prompt collection	-
	ADL (AUK)	ATC	3	Receivables from related parties	5,876	30 days after invoice date	-
	ADL	Advantech Co., Ltd.	2	Receivables from related parties	11	30 days after invoice date	-
	ADL	ATC	3	Receivables from related parties	3,162	30 days after invoice date	-
	ADL	AEU	3	Commission revenue	70,932	Normal	-
	ADL (AIT)	AEU	3	Commission revenue	50,474	Normal	-
	ADL (AIT)	AEU	3	Payables to related parties	42,802	30 days after invoice date	-
	ADL (AUK)	AEU	3	Receivables from related parties	30,754	30 days after invoice date	-
	ADL (AFR)	AEU	3	Commission revenue	34,150	Normal	-
	ADL	ADL (AIT)	3	Receivables from related parties	17,331	30 days after invoice date	-
	ADL (AIT)	ADL	3	Payables to related parties	17,331	30 days after invoice date	23
	ADL (AUK)	AEU	3	Commission revenue	14,259	Normal	35
	ADL (AUK)	ATC	3	Receivables from related parties	11,438	30 days after invoice date	3
	ADL (AIT)	AEU	3	Receivables from related parties	8,480	30 days after invoice date	2
	ADL	Advantech Co., Ltd.	2	Payables to related parties	334	30 days	2
	ADL	ADL (AFR)	3	Payables to related parties	4,937	30 days after invoice date	1
	ADL (AFR)	ADL	3	Receivables from related parties	4,937	30 days after invoice date	-
	ADL	AEU	3	Purchase	3,226	Normal	-
	ADL	AEUH	3	Interest expense	2,206	Normal	-
	ADL	AEU	3	Payables to related parties	1,970	30 days after invoice date	-
	ADL (AFR)	AEU	3	Payables to related parties	588	30 days after invoice date	-
	ADL	ADL (AIT)	3	Payables to related parties	417	30 days after invoice date	-
	ADL (AIT)	ADL	3	Receivables from related parties	417	30 days after invoice date	-
	ADL (ABN)	ANA	3	Purchase	175	Normal	-
	ADL (AUK)	AEU	3	Payables to related parties	89	30 days after invoice date	-
	ADL (AFR)	AEU	3	Receivables from related parties	(20,613)	30 days after invoice date	-
	ADL	AEU	3	Receivables from related parties	(46,904)	30 days after invoice date	-
6	AEUH	ADL	3	Interest revenue	2,206	Normal	-
	AEUH	ACN	3	Purchase	1,009	Normal	2
	AEUH	ACN	3	Payables to related parties	159	30 days	-
	AEUH	DLoG	3	Payables to related parties	74	30 days	-
	AEUH	DLoG	3	Purchase	57	Normal	-
7	AHK	AAC (HK)	3	Receivables from related parties	109	30 days	-
	AHK	AiSC	3	Payables to related parties	1,283	30 days	23
	AHK	Advantech Co., Ltd.	2	Other revenue	4,955	Normal	35
	AHK	AAC (HK)	3	Sales	14	Normal	-
8	AiSC	ANA	3	Receivables from related parties	327	Prompt collection	-
	AiSC	ACN	3	Purchase	217,910	Normal	-
	AiSC	ABJ (ACN)	3	Sales	161,700	Normal	-
	AiSC	ACN	3	Payables to related parties	138,850	25th of every month	-
	AiSC	ABJ (ACN)	3	Receivables from related parties	97,079	25th of every month	-
	AiSC	AKMC	3	Purchase	91,676	Normal	-
	AiSC	Hangzhou Advantofine Automation tech. Co., Ltd.	3	Sales	50,814	Normal	-
	AiSC	AKMC	3	Payables to related parties	14,487	Prompt payment	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	AiSC	Hangzhou Advantofine Automation tech. Co., Ltd.	3	Receivables from related parties	\$ 11,989	Prompt collection	-
	AiSC	AKMC	3	Sales	7,642	Normal	-
	AiSC	ABJ (ACN)	3	Interest revenue	1,324	Normal	-
	AiSC	AHK	3	Receivables from related parties	1,283	30 days	-
	AiSC	AEU	3	Payables to related parties	738	30 days after invoice date	-
	AiSC	AKMC	3	Receivables from related parties	694	30 days	-
	AiSC	Advantech Co., Ltd.	2	Purchase	1,318,883	Normal	-
	AiSC	Advantech Co., Ltd.	2	Payables to related parties	417,535	45 days	-
	AiSC	BCM	3	Receivables from related parties	154	Prompt collection	-
	AiSC	AEU	3	Purchase	32	Normal	-
	AiSC	ACN	3	Interest expense	17	Normal	-
9	AJP	Advantech Co., Ltd.	2	Purchase	275,861	Normal	-
	AJP	Advantech Co., Ltd.	2	Payables to related parties	45,403	60-90 days	-
	AJP	Advantech Co., Ltd.	2	Other expense	11,973	Normal	-
	AJP	Advantech Co., Ltd.	2	Receivables from related parties	11	60-90 days	-
	AJP	Advantech Co., Ltd.	2	Sales	9	Normal	-
	AJP	AKMC	3	Receivables from related parties	123	45 days	-
	AJP	ACN	3	Purchase	32	Normal	-
	AJP	ANA	3	Purchase	22	Normal	-
	AJP	AEU	3	Payables to related parties	4	30 days	-
	AJP	AKMC	3	Payables to related parties	3	30 days	-
10	AKMC	ATH	3	Receivables from related parties	50	30 days after invoice date	-
	AKMC	AJP	3	Receivables from related parties	3	30 days	-
	AKMC	ATC	3	Receivables from related parties	4,972,289	60-90 days	-
	AKMC	ATC	3	Sales	4,665,500	Normal	-
	AKMC	ANA	3	Payables to related parties	1,706,880	30 days after invoice date	-
	AKMC	Advansus Corp.	3	Purchase	408,947	Normal	-
	AKMC	AiST	3	Purchase	277,795	Normal	-
	AKMC	Netstar Technology Co., Ltd.	3	Sales	205,206	Normal	-
	AKMC	AiSC	3	Sales	91,676	Normal	-
	AKMC	ACA	3	Payables to related parties	64,670	45 days	-
	AKMC	ACA	3	Purchase	61,371	Normal	-
	AKMC	Advansus Corp.	3	Payables to related parties	57,996	60-90 days	-
	AKMC	Netstar Technology Co., Ltd.	3	Receivables from related parties	55,444	60th of every month	-
	AKMC	ATC	3	Purchase	37,191	Normal	-
	AKMC	Advansus Corp.	3	Sales	25,756	Normal	-
	AKMC	ACN	3	Purchase	17,127	Normal	-
	AKMC	ACN	3	Sales	16,203	Normal	-
	AKMC	AiSC	3	Receivables from related parties	14,487	Prompt collection	-
	AKMC	ATC	3	Payables to related parties	11,751	60-90 days	-
	AKMC	AEU	3	Receivables from related parties	8,299	30 days after invoice date	1
	AKMC	AiSC	3	Purchase	7,642	Normal	-
	AKMC	Advansus Corp.	3	Receivables from related parties	5,155	Prompt collection	2
	AKMC	ACN	3	Receivables from related parties	4,309	60-90 days	1
	AKMC	ACN	3	Payables to related parties	3,445	60-90 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	AKMC	Netstar Technology Co., Ltd.	3	Purchase	\$ 2,975	Normal	-
	AKMC	ACN	3	Rental revenue	2,691	Normal	3
	AKMC	ANA	3	Interest expense	2,532	Normal	-
	AKMC	ANA	3	Sales	1,787	Normal	-
	AKMC	Cermate	3	Sales	1,717	Normal	2
	AKMC	Cermate	3	Receivables from related parties	1,684	60 days	-
	AKMC	AEU	3	Sales	1,266	Normal	3
	AKMC	AiSC	3	Payables to related parties	694	30 days	1
	AKMC	Netstar Technology Co., Ltd.	3	Payables to related parties	634	60th of every month	1
	AKMC	ANA	3	Purchase	344	Normal	1
	AKMC	Hangzhou Advantofine Automation tech. Co., Ltd.	3	Receivables from related parties	141	60th of every month	-
	AKMC	AJP	3	Payables to related parties	123	45 days	-
	AKMC	DLoG	3	Purchase	115	Normal	-
	AKMC	Advantech Co., Ltd.	2	Purchase	332,087	Normal	-
	AKMC	ANA	3	Receivables from related parties	20	60-90 days	-
	AKMC	Advantech Co., Ltd.	2	Payables to related parties	64,727	45 days	-
	AKMC	AKR	3	Receivables from related parties	4	30 days after invoice date	-
11	AKR	Advansus Corp.	3	Purchase	83,778	Normal	-
	AKR	Advansus Corp.	3	Payables to related parties	13,134	60-90 days	-
	AKR	ACN	3	Payables to related parties	34	45 days	-
	AKR	ACN	3	Purchase	27	Normal	2
	AKR	Advantech Co., Ltd.	2	Purchase	290,238	Normal	2
	AKR	Advantech Co., Ltd.	2	Payables to related parties	48,784	Prompt payment	-
	AKR	Advantech Co., Ltd.	2	Sales	4,713	Normal	-
	AKR	Advantech Co., Ltd.	2	Other expense	3,607	Normal	-
	AKR	Advantech Co., Ltd.	2	Receivables from related parties	107	60 days	-
	AKR	AKMC	3	Payables to related parties	4	30 days after invoice date	-
12	AMY	ASG	3	Purchase	4,323	Normal	-
	AMY	ASG	3	Payables to related parties	695	30 days	-
	AMY	ATH	3	Receivables from related parties	100	Prompt payment	-
	AMY	ACN	3	Purchase	25	Normal	-
	AMY	AEU	3	Purchase	23	Normal	-
	AMY	ANA	3	Payables to related parties	8	60 days	-
	AMY	Advantech Co., Ltd.	2	Purchase	27,715	Normal	-
	AMY	Advantech Co., Ltd.	2	Payables to related parties	6,539	45 days	-
	AMY	Advantech Co., Ltd.	2	Other expense	1,057	Normal	-
	AMY	Advantech Co., Ltd.	2	Other revenue	459	Normal	-
	AMY	Advantech Co., Ltd.	2	Receivables from related parties	79	Normal	1
	AMY	ATH	3	Sales	271	Normal	-
13	ANA	AKMC	3	Receivables from related parties	1,706,880	30 days after invoice date	-
	ANA	AEU	3	Purchase	14,137	Normal	-
	ANA	AKMC	3	Interest revenue	2,532	Normal	-
	ANA	AEU	3	Payables to related parties	2,150	30 days after invoice date	-
	ANA	AEU	3	Sales	2,042	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	ANA	AKMC	3	Purchase	\$ 1,787	Normal	-
	ANA	AEU	3	Receivables from related parties	1,159	60-90 days	-
	ANA (AASC)	AEU	3	Purchase	589	Normal	-
	ANA	AKMC	3	Sales	344	Normal	-
	ANA	AiSC	3	Payables to related parties	327	Prompt collection	-
	ANA	DLoG	3	Purchase	299	Normal	-
	ANA	ACN	3	Sales	286	Normal	-
	ANA	AEU	3	Interest revenue	199	Normal	-
	ANA	ADL (ABN)	3	Sales	175	Normal	-
	AAC (HK)	AHK	3	Payables to related parties	109	30 days	-
	ANA	ACN	3	Receivables from related parties	58	30 days	-
	ANA	AAU	3	Sales	41	Normal	-
	ANA	AAU	3	Receivables from related parties	28	60-90 days	-
	ANA	AJP	3	Sales	22	Normal	-
	ANA	AKMC	3	Payables to related parties	20	60-90 days	-
	AAC (HK)	AHK	3	Purchase	14	Normal	-
	ANA	AMY	3	Receivables from related parties	8	60 days	4
	ANA	Advantech Co., Ltd.	2	Purchase	3,830,009	Normal	-
	ANA	Advantech Co., Ltd.	2	Payables to related parties	500,495	45 days	14
	ANA	Advantech Co., Ltd.	2	Sales	95,218	Normal	-
	ANA	Advantech Co., Ltd.	2	Other expense	14,763	Normal	-
	ANA	Advantech Co., Ltd.	2	Receivables from related parties	15,492	45 days	-
14	APL	AEU	3	Receivables from related parties	3,534	30 days after invoice date	
	APL	AEU	3	Purchase	1,642	Normal	
	APL	Advantech Co., Ltd.	2	Purchase	8,214	Normal	
	APL	Advantech Co., Ltd.	2	Payables to related parties	1,981	45 days	
	APL	Advantech Co., Ltd.	2	Receivables from related parties	298	30 days after invoice date	
	APL	Advantech Co., Ltd.	2	Sales	71	Normal	
15	ASG	ATH	3	Sales	5,150	Normal	
	ASG	AMY	3	Sales	4,323	Normal	
	ASG	ATH	3	Receivables from related parties	2,524	30 days	
	ASG	AMY	3	Receivables from related parties	695	30 days	
	ASG	AEU	3	Purchase	133	Normal	
	ASG	AAU	3	Payables to related parties	53	30th of every month	
	ASG	Advantech Co., Ltd.	2	Purchase	90,392	Normal	
	ASG	Advantech Co., Ltd.	2	Payables to related parties	19,393	60-90 days	
	ASG	Advantech Co., Ltd.	2	Other revenue	3,526	Normal	
	ASG	Advantech Co., Ltd.	2	Other expense	1,677	Normal	
	ASG	Advantech Co., Ltd.	2	Receivables from related parties	594	60-90 days	
	ASG	Advantech Co., Ltd.	2	Sales	13	Normal	
16	ATC	ADL (AUK)	3	Payables to related parties	11,438	30 days after invoice date	
	ATC	ADL	3	Payables to related parties	3,162	30 days after invoice date	
	ATC	AKMC	3	Payables to related parties	4,972,289	60-90 days	
	ATC	AKMC	3	Purchase	4,665,500	Normal	
	ATC	AKMC	3	Sales	37,191	Normal	

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	ATC	AKMC	3	Receivables from related parties	\$ 11,751	60-90 days	
	ATC	ADL (AUK)	3	Payables to related parties	5,876	30 days after invoice date	
	ATC	Advantech Co., Ltd.	2	Sales	4,948,017	Normal	
	ATC	Advantech Co., Ltd.	2	Receivables from related parties	1,100,729	60 days	
	ATC	Advantech Co., Ltd.	2	Royalty expense	247,754	Normal	
17	ATH	ASG	3	Purchase	5,150	Normal	
	ATH	ASG	3	Payables to related parties	2,524	30 days	
	ATH	AMY	3	Payables to related parties	100	30 days after invoice date	
	ATH	AKMC	3	Payables to related parties	50	30 days after invoice date	
	ATH	Advantech Co., Ltd.	2	Purchase	48,096	Normal	
	ATH	Advantech Co., Ltd.	2	Payables to related parties	8,168	30 days after invoice date	
	ATH	Advantech Co., Ltd.	2	Other expense	343	Normal	
	ATH	Advantech Co., Ltd.	2	Sales	39	Normal	
	ATH	AMY	3	Purchase	271	Normal	
18	AXA	ACN	3	Payables to related parties	37,398	Prompt payment	
19	BCM	AiSC	3	Payables to related parties	154	Prompt payment	
	BCM	ACN	3	Payables to related parties	42	30 days after invoice date	
20	DLoG	Advantech Co., Ltd.	2	Receivables from related parties	173	30 days after invoice date	
	DLoG	ANA	3	Sales	299	Normal	
	DLoG	AAU	3	Receivables from related parties	230	30 days after invoice date	
	DLoG	AAU	3	Sales	229	Normal	
	DLoG	AKMC	3	Sales	115	Normal	
	DLoG	AEUH	3	Receivables from related parties	74	30 days	
	DLoG	ABR	3	Sales	57	Normal	
	DLoG	AEU	3	Sales	57	Normal	
	DLoG	Advantech Co., Ltd.	2	Purchase	9,083	Normal	
	DLoG	Advantech Co., Ltd.	2	Payables to related parties	2,483	30 days after invoice date	
	DLoG	Advantech Co., Ltd.	2	Other expense	2,993	Normal	
	DLoG	Advantech Co., Ltd.	2	Sales	912	Normal	
21	Innocore	ADL (AUK)	3	Payables to related parties	21,763	Prompt collection	
	Innocore	AEU	3	Payables to related parties	18,892	30 days after invoice date	
	Innocore	Advantech Co., Ltd.	2	Purchase	6,151	Normal	
22	BCM Embedded Computer Inc.	Advansus Corp.	3	Purchase	70,312	Normal	
	BCM Embedded Computer Inc.	Advansus Corp.	3	Payables to related parties	1,867	60-90 days	
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Sales	2,285	Normal	
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Purchase	596	Normal	
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Rental expense	585	Normal	
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Payables to related parties	68	30 days	
23	Cermate (Shanghai)	Cermate (Shenzhen)	3	Purchase	22,644	Normal	

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)	
				Financial Statement Account	Amount	Payment Terms		
24	Cermate (Shenzhen)	Cermate	3	Purchase	\$ 50,532	Normal		
	Cermate (Shenzhen)	Cermate	3	Payables to related parties	26,503	30 days		
	Cermate (Shenzhen)	Cermate (Shanghai)	3	Sales	22,644	Normal		
	Cermate (Shenzhen)	Cermate	3	Sales	8,367	Normal		
	Cermate (Shenzhen)	Cermate	3	Receivables from related parties	4,821	60 days		
25	Cermate	Cermate (Shenzhen)	3	Sales	50,532	Normal		
	Cermate	Cermate (Shenzhen)	3	Receivables from related parties	26,503	30 days		
	Cermate	Cermate (Shenzhen)	3	Purchase	8,367	Normal		
	Cermate	Cermate (Shenzhen)	3	Payables to related parties	4,821	60 days		
	Cermate	AKMC	3	Purchase	1,717	Normal		
	Cermate	AKMC	3	Payables to related parties	1,684	60 days		
	Cermate	Advantech Co., Ltd.	2	Sales	13,276	Normal		
	Cermate	Advantech Co., Ltd.	2	Receivables from related parties	1,076	Half-year payment (June, December)		
	Cermate	Advantech Co., Ltd.	2	Other expense	540	Normal		
	Cermate	Advantech Co., Ltd.	2	Purchase	162	Normal		
	Cermate	Advantech Co., Ltd.	2	Payables to related parties	62	Half-year payment (June, December)		
	26	Broadwin Technology, Inc.	Netstar Technology Co., Ltd.	3	Receivables from related parties	7,000	Normal	
		Broadwin Technology, Inc.	Netstar Technology Co., Ltd.	3	Interest revenue	200	Normal	
Broadwin Technology, Inc.		Advantech Co., Ltd.	2	Purchase	1,820	Normal		
Broadwin Technology, Inc.		Advantech Co., Ltd.	2	Payables to related parties	652	60 days		
Broadwin Technology, Inc.		Advantech Co., Ltd.	2	Other expense	720	Normal		
Broadwin Technology, Inc.		Advantech Co., Ltd.	2	Sales	170	Normal		
Broadwin Technology, Inc.		Advantech Co., Ltd.	2	Receivables from related parties	21	60 days		
27	Hangzhou Advantofine Automation tech. Co., Ltd.	AiSC	3	Purchase	50,814	Normal		
	Hangzhou Advantofine Automation tech. Co., Ltd.	AiSC	3	Payables to related parties	11,989	Prompt payment		
	Hangzhou Advantofine Automation tech. Co., Ltd.	AKMC	3	Payables to related parties	141	60th of every month		
	Hangzhou Advantofine Automation tech. Co., Ltd.	Advantech Co., Ltd.	2	Sales	315	Normal		
28	Advantech Fund-A	Netstar Technology Co., Ltd.	3	Receivables from related parties	4,036	Normal		
	Advantech Fund-A	Netstar Technology Co., Ltd.	3	Interest revenue	176	Normal		
	Advantech Fund-A	ACA	3	Interest revenue	65	Normal		
	Advantech Fund-A	Advantech Co., Ltd.	2	Interest revenue	1,367	Normal		
	Advantech Fund-A	Advantech Co., Ltd.	2	Rental expense	27	Normal		
	Advantech Fund-A	Advantech Co., Ltd.	2	Receivables from related parties	260,000	Normal		
29	AiST	ACA	3	Receivables from related parties	52,148	45 days		
	AiST	AKMC	3	Sales	277,795	Normal		
	AiST	Advansus Corp.	3	Purchase	130,951	Normal		
	AiST	ACA	3	Sales	46,977	Normal		

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	AiST	Advansus Corp.	3	Receivables from related parties	\$ 2,572	30 days	
	AiST	Advantech Co., Ltd.	2	Sales	413,480	Normal	
	AiST	Advantech Co., Ltd.	2	Purchase	26,378	Normal	
	AiST	Advantech Co., Ltd.	2	Receivables from related parties	7	30 days	
	AiST	Advansus Corp.	3	Sales	298,721	Normal	
30	Advansus Corp.	ACA	3	Receivables from related parties	15,559	30 days	
	Advansus Corp.	AKMC	3	Sales	408,947	Normal	
	Advansus Corp.	AiST	3	Sales	130,951	Normal	
	Advansus Corp.	AKR	3	Sales	83,778	Normal	
	Advansus Corp.	BCM Embedded Computer Inc.	3	Sales	70,312	Normal	
	Advansus Corp.	AKMC	3	Receivables from related parties	57,996	60-90 days	
	Advansus Corp.	ACA	3	Payables to related parties	52,969	45 days	
	Advansus Corp.	ACA	3	Purchase	47,820	Normal	
	Advansus Corp.	ACA	3	Sales	30,779	Normal	
	Advansus Corp.	AKMC	3	Purchase	25,756	Normal	
	Advansus Corp.	AKR	3	Receivables from related parties	13,134	60-90 days	
	Advansus Corp.	AKMC	3	Payables to related parties	5,155	Prompt payment	
	Advansus Corp.	AiST	3	Payables to related parties	2,572	30 days	
	Advansus Corp.	BCM Embedded Computer Inc.	3	Receivables from related parties	1,867	60-90 days	
	Advansus Corp.	Advantech Co., Ltd.	2	Sales	957,475	Normal	
	Advansus Corp.	Advantech Co., Ltd.	2	Receivables from related parties	86,629	60-90 days	
	Advansus Corp.	Advantech Co., Ltd.	2	Other expense	13,485	Normal	
	Advansus Corp.	Advantech Co., Ltd.	2	Purchase	10,042	Normal	
	Advansus Corp.	Advantech Co., Ltd.	2	Payables to related parties	2,419	60-90 days	
	Advansus Corp.	Advantech Co., Ltd.	2	Rental expense	5,265	Normal	
	Advansus Corp.	AiST	3	Purchase	298,721	Normal	
31	Netstar Technology Co., Ltd.	AKMC	3	Purchase	205,206	Normal	
	Netstar Technology Co., Ltd.	AKMC	3	Payables to related parties	55,444	60th of every month	
	Netstar Technology Co., Ltd.	Broadwin Technology, Inc.	3	Payables to related parties	7,000	Normal	
	Netstar Technology Co., Ltd.	Advantech Fund-A	3	Payables to related parties	4,036	Normal	
	Netstar Technology Co., Ltd.	AKMC	3	Sales	2,975	Normal	
	Netstar Technology Co., Ltd.	AKMC	3	Receivables from related parties	634	60th of every month	
	Netstar Technology Co., Ltd.	Broadwin Technology, Inc.	3	Interest expense	200	Normal	
	Netstar Technology Co., Ltd.	Advantech Fund-A	3	Interest expense	176	Normal	
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Sales	56,211	Normal	
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Receivables from related parties	12,741	60 days	
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Other expense	720	Normal	
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Purchase	2,701	Normal	
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Payables to related parties	2,573	25th of every quarter	
32	AEU	ANA	3	Receivables from related parties	2,150	30 days after invoice date	
	AEU	AiSC	3	Receivables from related parties	738	30 days after invoice date	
	AEU	Advantech Co., Ltd.	2	Receivables from related parties	569	30 days after invoice date	
	AEU	Innocore	3	Receivables from related parties	14,262	60 days	
	AEU	ADL	3	Commission expense	70,932	Normal	
	AEU	ADL (AIT)	3	Commission expense	50,474	Normal	

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	AEU	ADL (AIT)	3	Receivables from related parties	\$ 42,802	30 days after invoice date	
	AEU	ADL (AUK)	3	Payables to related parties	30,754	30 days after invoice date	
	AEU	ADL (AFR)	3	Commission expense	34,150	Normal	
	AEU	Innocore	3	Receivables from related parties	18,892	60 days	
	AEU	ADL (AUK)	3	Commission expense	14,259	Normal	
	AEU	ANA	3	Sales	14,137	Normal	
	AEU	ADL (AIT)	3	Payables to related parties	8,480	30 days after invoice date	
	AEU	AKMC	3	Payables to related parties	8,299	60-90 days	
	AEU	APL	3	Payables to related parties	3,534	30 days after invoice date	
	AEU	ADL	3	Sales	3,226	Normal	
	AEU	ANA	3	Purchase	2,042	Normal	
	AEU	ADL	3	Receivables from related parties	1,970	30 days after invoice date	
	AEU	APL	3	Sales	1,642	Normal	
	AEU	AKMC	3	Purchase	1,266	Normal	
	AEU	ANA	3	Payables to related parties	1,159	60-90 days	
	AEU	ANA	3	Sales	589	Normal	
	AEU	ADL (AFR)	3	Receivables from related parties	588	30 days after invoice date	
	AEU	ANA	3	Interest expense	199	Normal	
	AEU	AAU	3	Sales	157	Normal	
	AEU	ASG	3	Sales	133	Normal	
	AEU	ADL (AUK)	3	Receivables from related parties	89	30 days after invoice date	
	AEU	AiSC	3	Sales	32	Normal	
	AEU	AMY	3	Sales	23	Normal	
	AEU	AAU	3	Payables to related parties	6	30 days after invoice date	
	AEU	AJP	3	Receivables from related parties	4	90 days	
	AEU	ADL (AFR)	3	Payables to related parties	(20,613)	30 days after invoice date	
	AEU	ADL	3	Payables to related parties	(46,904)	30 days after invoice date	
	AEU	Advantech Co., Ltd.	2	Other expense	9,610	Normal	
	AEU	Advantech Co., Ltd.	2	Payables to related parties	875,034	30 days	
	AEU	Advantech Co., Ltd.	2	Sales	1,622	Normal	
	AEU	Advantech Co., Ltd.	2	Purchase	1,850,011	Normal	
33	Innocore	AEU	3	Payables to related parties	14,262	60 days	
34	AAC (HK)	Advantech Co., Ltd.	2	Payables to related parties	337	Normal	

(Continued)

September 30, 2010

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
0	Advantech Co., Ltd.	AESC	1	Sales	\$ 1,387,745	Normal	8
	Advantech Co., Ltd.	AESC	1	Receivables from related parties	678,358	30 days	4
	Advantech Co., Ltd.	AESC	1	Purchase	886	Normal	-
	Advantech Co., Ltd.	AESC	1	Payables to related parties	147	30 days	-
	Advantech Co., Ltd.	ACN	1	Sales	1,485,575	Normal	9
	Advantech Co., Ltd.	ACN	1	Receivables from related parties	428,197	45 days	2
	Advantech Co., Ltd.	ACN	1	Purchase	2,363	Normal	-
	Advantech Co., Ltd.	ACN	1	Payables to related parties	2,228	30 days	-
	Advantech Co., Ltd.	ACN	1	Other revenue	41,845	Normal	-
	Advantech Co., Ltd.	ATC	1	Purchase	4,049,125	Normal	24
	Advantech Co., Ltd.	ATC	1	Payables to related parties	1,000,772	60 days	6
	Advantech Co., Ltd.	ATC	1	Royalty income	202,270	Normal	1
	Advantech Co., Ltd.	AKMC	1	Sales	337,961	Normal	2
	Advantech Co., Ltd.	AKMC	1	Receivables from related parties	64,489	45 days	-
	Advantech Co., Ltd.	AKMC	1	Payables to related parties	88	60 days	-
	Advantech Co., Ltd.	AAU	1	Sales	109,481	Normal	1
	Advantech Co., Ltd.	AAU	1	Receivables from related parties	22,896	60-90 days	-
	Advantech Co., Ltd.	AAU	1	Purchase	60	Normal	-
	Advantech Co., Ltd.	ASG	1	Sales	104,191	Normal	1
	Advantech Co., Ltd.	ASG	1	Receivables from related parties	19,868	60-90 days	-
	Advantech Co., Ltd.	ASG	1	Purchase	11	Normal	-
	Advantech Co., Ltd.	ASG	1	Payables to related parties	103	60-90 days	-
	Advantech Co., Ltd.	AJP	1	Sales	281,474	Normal	2
	Advantech Co., Ltd.	AJP	1	Receivables from related parties	43,556	60-90 days	-
	Advantech Co., Ltd.	AJP	1	Purchase	10	Normal	-
	Advantech Co., Ltd.	AJP	1	Other revenue	4,954	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Sales	12,360	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Receivables from related parties	2,479	60-90 days	-
	Advantech Co., Ltd.	Advansus Corp.	1	Purchase	1,395,566	Normal	8
	Advantech Co., Ltd.	Advansus Corp.	1	Payables to related parties	207,589	60-90 days	1
	Advantech Co., Ltd.	Advansus Corp.	1	Rental revenue	5,265	Normal	-
	Advantech Co., Ltd.	Advansus Corp.	1	Other revenue	8,259	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Rental revenue	585	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Receivables from related parties	77	30 days	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Payables to related parties	86	30 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Purchase	\$ 504	Normal	-
	Advantech Co., Ltd.	BCM Embedded Computer Inc.	1	Sales	681	Normal	-
	Advantech Co., Ltd.	Advantech Fund - A	1	Rental revenue	27	Normal	-
	Advantech Co., Ltd.	Advantech Fund - A	1	Receivables from related parties	6	Normal	-
	Advantech Co., Ltd.	Advantech Fund - A	1	Interest expense	436	Normal	-
	Advantech Co., Ltd.	Advantech Fund - A	1	Payables to related parties	180,000	Normal	1
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Sales	2,158	Normal	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Receivables from related parties	1,576	60 days	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Purchase	697	Normal	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Payables to related parties	417	60 days	-
	Advantech Co., Ltd.	Broadwin Technology, Inc.	1	Other revenue	560	Normal	-
	Advantech Co., Ltd.	ADL	1	Receivables from related parties	661	30 days	-
	Advantech Co., Ltd.	ADL	1	Payables to related parties	81	30 days	-
	Advantech Co., Ltd.	AMY	1	Sales	26,800	Normal	-
	Advantech Co., Ltd.	AMY	1	Receivables from related parties	7,848	45 days	-
	Advantech Co., Ltd.	AMY	1	Payables to related parties	643	Normal	-
	Advantech Co., Ltd.	APL	1	Sales	8,932	Normal	-
	Advantech Co., Ltd.	APL	1	Receivables from related parties	4,373	45 days	-
	Advantech Co., Ltd.	APL	1	Payables to related parties	123	30 days after invoice date	-
	Advantech Co., Ltd.	APL	1	Purchase	17	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Purchase	52,179	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Payables to related parties	12,776	60 days	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Receivables from related parties	278	25th of every quarter	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Sales	3,851	Normal	-
	Advantech Co., Ltd.	Netstar Technology Co., Ltd.	1	Other revenue	640	Normal	-
	Advantech Co., Ltd.	Jan Hsiang	1	Purchase	17,826	Normal	-
	Advantech Co., Ltd.	Jan Hsiang	1	Payables to related parties	1,767	60 days	-
	Advantech Co., Ltd.	AYS	1	Payables to related parties	22,993	90 days	-
	Advantech Co., Ltd.	AiSC	1	Sales	1,140,951	Normal	7
	Advantech Co., Ltd.	AiSC	1	Receivables from related parties	253,310	45 days	1
	Advantech Co., Ltd.	AiSC	1	Payables to related parties	103	45 days	-
	Advantech Co., Ltd.	ANA	1	Sales	3,251,699	Normal	2
	Advantech Co., Ltd.	ANA	1	Purchase	104,440	Normal	1
	Advantech Co., Ltd.	ANA	1	Receivables from related parties	586,084	45 days	3
	Advantech Co., Ltd.	ANA	1	Payables to related parties	14,784	45 days	-
	Advantech Co., Ltd.	ANA	1	Other revenue	14,990	Normal	-
	Advantech Co., Ltd.	AHK	1	Payables to related parties	4	60 days	-
	Advantech Co., Ltd.	AHK	1	Receivables from related parties	12	60 days	-
	Advantech Co., Ltd.	ABR	1	Receivables from related parties	14,269	90 days	-
	Advantech Co., Ltd.	ABR	1	Sales	59,746	Normal	-
	Advantech Co., Ltd.	ABR	1	Payables to related parties	27	Normal	-
	Advantech Co., Ltd.	ABR	1	Other revenue	447	Normal	-
	Advantech Co., Ltd.	AKR	1	Sales	276,904	Normal	2
	Advantech Co., Ltd.	AKR	1	Receivables from related parties	80,484	Prompt collection	-
	Advantech Co., Ltd.	AKR	1	Interest revenue	21	Normal	-
	Advantech Co., Ltd.	AKR	1	Other revenue	15,923	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			% to Consolidated Assets/Revenue (Note C)
				Financial Statement Account	Amount	Payment Terms	
	Advantech Co., Ltd.	DLoG	1	Sales	\$ 836	Normal	-
	Advantech Co., Ltd.	DLoG	1	Receivables from related parties	503	30 days after invoice date	-
	Advantech Co., Ltd.	AiST	1	Interest expense	48	Normal	-
	Advantech Co., Ltd.	AiST	1	Payables to related parties	20,000	Normal	-
	Advantech Co., Ltd.	Cermate	1	Receivables from related parties	126	Every 6 months (June and December)	-
	Advantech Co., Ltd.	Cermate	1	Purchase	10,361	Normal	-
	Advantech Co., Ltd.	Cermate	1	Payables to related parties	1,472	Every 6 months (June and December)	-
	Advantech Co., Ltd.	Cermate	1	Other revenue	280	Normal	-
1	ANA	Advantech Co., Ltd.	2	Sales	104,440	Normal	1
	ANA	Advantech Co., Ltd.	2	Receivables from related parties	14,784	45 days	-
	ANA	Advantech Co., Ltd.	2	Purchase	3,251,699	Normal	2
	ANA	Advantech Co., Ltd.	2	Payables to related parties	586,084	45 days	3
	ANA	Advantech Co., Ltd.	2	Other expense	14,990	Normal	-
	ANA	ASG	3	Sales	218	Normal	-
	ANA (AASC)	ASG	3	Payables to related parties	117	Normal	-
	ANA (AASC)	ASG	3	Purchase	115	Normal	-
	ANA (AASC)	AESC	3	Purchase	1,023	Normal	-
	ANA	AESC	3	Sales	2,059	Normal	-
	ANA	AESC	3	Receivables from related parties	31,941	60-90 days	-
	ANA	AESC	3	Interest expense	579	Normal	-
	ANA	AESC	3	Interest revenue	616	Normal	-
	ANA	ATC	3	Receivables from related parties	120	60-90 days	-
	ANA	ATC	3	Sales	1,598	Normal	-
	ANA	AAU	3	Sales	123	Normal	-
	ANA	AAU	3	Receivables from related parties	3	60-90 days	-
	ANA	AAU	3	Payables to related parties	501	30 days after invoice date	-
	ANA	ACN	3	Sales	763	Normal	-
	ANA	AMY	3	Sales	117	60 days	-
	ANA	ACN	3	Receivables from related parties	517	30 days	-
	ANA	AKMC	3	Receivables from related parties	184,434	30 days after invoice date	1
	ANA	AKMC	3	Interest revenue	2,239	30 days	-
	ANA	AKMC	3	Payables to related parties	65	60-90 days	-
	ANA	AJP	3	Sales	12	Normal	-
2	AESC	Advantech Co., Ltd.	2	Sales	886	Normal	-
	AESC	Advantech Co., Ltd.	2	Receivables from related parties	147	30 days	-
	AESC	Advantech Co., Ltd.	2	Purchase	1,387,745	Normal	8
	AESC	Advantech Co., Ltd.	2	Payables to related parties	678,358	30 days	4
	AESC	ADL	3	Sales	8,430	Normal	-
	AESC	ADL	3	Commission expense	171,017	Normal	1
	AESC	ADL	3	Receivables from related parties	44,604	30 days after invoice date	-
	AESC	ADL	3	Payables to related parties	(23,031)	30 days after invoice date	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	AESC	APL	3	Purchase	\$ 33,469	Normal	-
	AESC	APL	3	Receivables from related parties	781	30 days	-
	AESC	APL	3	Payables to related parties	27,467	30 days after invoice date	-
	AESC	AKMC	3	Receivables from related parties	110	Normal	-
	AESC	DLoG	3	Receivables from related parties	275	30 days	-
	AESC	ACN	3	Receivables from related parties	845	30 days after invoice date	-
	AESC	AJP	3	Receivables from related parties	15	30 days	-
	AESC	AJP	3	Sales	11	Normal	-
	AESC	ANA	3	Sales	1,023	Normal	-
	AESC	ANA	3	Interest revenue	579	Normal	-
	AESC	ANA	3	Purchase	2,059	Normal	-
	AESC	ANA	3	Interest expense	616	Normal	-
	AESC	ANA	3	Payables to related parties	31,941	60-90 days	-
	AESC	APL	3	Sales	902	30 days	-
	AESC	AAU	3	Sales	185	Normal	-
	AESC	ASG	3	Purchase	2	Normal	-
	AESC	ASG	3	Sales	43	Normal	-
	AESC	AiSC	3	Sales	707	Normal	-
	AESC	AKMC	3	Sales	88	Normal	-
	AESC	DLoG	3	Sales	269	Normal	-
3	ACN	Advantech Co., Ltd.	2	Sales	2,363	Normal	-
	ACN	Advantech Co., Ltd.	2	Receivables from related parties	2,228	30 days	-
	ACN	Advantech Co., Ltd.	2	Purchase	1,485,575	Normal	9
	ACN	Advantech Co., Ltd.	2	Payables to related parties	428,197	45 days	2
	ACN	Advantech Co., Ltd.	2	Other expense	41,845	Normal	-
	ACN	ANA	3	Purchase	763	Normal	-
	ACN	AHK	3	Sales	18	Every two months	-
	ACN	AHK	3	Receivables from related parties	5,782	60-90 days	-
	ACN	AKMC	3	Purchase	31,783	Normal	-
	ACN	ANA	3	Payables to related parties	517	Prompt collection	-
	ACN	AKMC	3	Payables to related parties	7,482	60-90 days	-
	ACN	AKMC	3	Sales	10,027	Normal	-
	ACN	AKMC	3	Rental expense	2,787	Normal	-
	ACN	AKMC	3	Receivables from related parties	1,189	60-90 days	-
	ACN	AKMC	3	Interest revenue	599	Normal	-
	ACN	SHHQ	3	Interest expense	158	Normal	-
	ACN	AXA	3	Receivables from related parties	9,203	Prompt collection	-
	ACN	AXA	3	Purchase	10,968	25th of every month	-
	ACN	AXA	3	Payables to related parties	158	25th of every month	-
	ACN	AiSC	3	Interest expense	1,194	60 days	-
	ACN	AiSC	3	Receivables from related parties	132,478	25th of every month	1
	ACN	AiSC	3	Sales	166,660	Normal	1
	ACN	AiSC	3	Purchase	127,851	Normal	1
	ACN	AiSC	3	Payables to related parties	180,618	25th of every month	1
	ACN	AAU	3	Receivables from related parties	876	30th of every month	-
	ACN	AAU	3	Sales	1,287	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	ACN	ASZ (ACN)	3	Receivables from related parties	\$ 2,495	45 days	-
	ACN	AJP	3	Sales	73	Normal	-
	ACN	AKR	3	Sales	37	Normal	-
	ACN	ABJ (ACN)	3	Receivables from related parties	523	45 days	-
	ACN	BCM Embedded Computer Inc.	3	Receivables from related parties	1,805	Normal	-
	ACN	AEU	3	Receivables from related parties	267	60-90 days	-
	ACN	AEU	3	Sales	953	Normal	-
	ASZ (ACN)	ACN	3	Payables to related parties	2,495	45 days	-
	ABJ (ACN)	ACN	3	Payables to related parties	523	45 days	-
	ACN	AESC	3	Payables to related parties	845	30 days after invoice date	-
4	ATC	Advantech Co., Ltd.	2	Receivables from related parties	1,000,772	60 days	6
	ATC	Advantech Co., Ltd.	2	Royalty expense	202,270	Normal	1
	ATC	Advantech Co., Ltd.	2	Sales	4,049,125	Normal	24
	ATC	AKMC	3	Purchase	3,718,722	Normal	22
	ATC	AKMC	3	Payables to related parties	210,951	60-90 days	1
	ATC	AKMC	3	Sales	103,189	Normal	1
	ATC	AKMC	3	Receivables from related parties	17,310	60-90 days	-
	ATC	ANA	3	Purchase	1,598	Normal	-
	ATC	ANA	3	Payables to related parties	120	60-90 days	-
	ATC	ADL	3	Payables to related parties	8,142	7 days after invoice date	-
5	AKMC	Advantech Co., Ltd.	2	Purchase	337,961	Normal	2
	AKMC	Advantech Co., Ltd.	2	Payables to related parties	64,489	45 days	-
	AKMC	Advantech Co., Ltd.	2	Receivables from related parties	88	60 days	-
	AKMC	ACN	3	Purchase	10,027	Normal	-
	AKMC	ACN	3	Rental revenue	2,787	Normal	-
	AKMC	ACN	3	Sales	31,783	Normal	-
	AKMC	ACN	3	Receivables from related parties	7,482	60-90 days	-
	AKMC	ACN	3	Payables to related parties	1,189	60-90 days	-
	AKMC	ACN	3	Interest expense	599	Normal	-
	AKMC	AESC	3	Payables to related parties	110	Normal	-
	AKMC	ATC	3	Payables to related parties	17,310	60-90 days	-
	AKMC	ATC	3	Sales	3,718,722	Normal	22
	AKMC	ATC	3	Purchase	103,189	Normal	1
	AKMC	ATC	3	Receivables from related parties	210,951	60-90 days	1
	AKMC	ANA	3	Receivables from related parties	65	60-90 days	-
	AKMC	AiSC	3	Receivables from related parties	46,093	Prompt collection	-
	AKMC	AiSC	3	Sales	257,392	Normal	2
	AKMC	AESC	3	Purchase	88	Normal	-
	AKMC	AiSC	3	Purchase	3,692	Normal	-
	AKMC	AiSC	3	Payables to related parties	532	30 days	-
	AKMC	AJP	3	Payables to related parties	116	45 days	-
	AKMC	ANA	3	Payables to related parties	184,434	30 days after invoice date	1
	AKMC	ANA	3	Interest expense	2,239	30 days	-
	AKMC	APL	3	Purchase	5	Normal	-
	AKMC	APL	3	Payables to related parties	5	Per quarter	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	AKMC	Netstar Technology Co., Ltd.	3	Receivables from related parties	\$ 59,415	Per quarter	-
	AKMC	Netstar Technology Co., Ltd.	3	Sales	201,326	Per quarter	1
	AKMC	Netstar Technology Co., Ltd.	3	Purchase	24,236	Every two months	-
	AKMC	Netstar Technology Co., Ltd.	3	Payables to related parties	3,519	Every two months	-
	AKMC	Advansus Corp.	3	Receivables from related parties	3,654	Prompt collection	-
	AKMC	Advansus Corp.	3	Payables to related parties	225,656	60-90 days	1
	AKMC	Advansus Corp.	3	Sales	19,123	Normal	-
	AKMC	Advansus Corp.	3	Purchase	1,121,253	Normal	7
6	APL	Advantech Co., Ltd.	2	Purchase	8,932	Normal	-
	APL	Advantech Co., Ltd.	2	Sales	17	Normal	-
	APL	Advantech Co., Ltd.	2	Payables to related parties	4,373	45 days	-
	APL	Advantech Co., Ltd.	2	Receivables from related parties	123	30 days after invoice date	-
	APL	AKMC	3	Receivables from related parties	5	Per quarter	-
	APL	AESC	3	Payables to related parties	781	30 days	-
	APL	AESC	3	Receivables from related parties	27,467	30 days after invoice date	-
	APL	AESC	3	Sales	33,469	Normal	-
	APL	AKMC	3	Sales	5	Normal	-
	APL	AESC	3	Purchase	902	30 days	-
7	AEU	ACN	3	Payables to related parties	267	60-90 days	-
	AEU	ACN	3	Purchase	953	Normal	-
	AEU	ADL	3	Receivables from related parties	86,594	30 days after invoice date	-
	AEU	ADL	3	Interest revenue	2,654	Normal	-
8	ADL	Advantech Co., Ltd.	2	Receivables from related parties	81	30 days	-
	ADL	Advantech Co., Ltd.	2	Payables to related parties	661	30 days	-
	ADL	ADL	3	Other revenue	40	Normal	-
	ADL	ADL	3	Other expense	40	Normal	-
	ADL	ATC	3	Receivables from related parties	8,142	7 days after invoice date	-
	ADL	AESC	3	Commission revenue	171,017	Normal	1
	ADL	AESC	3	Purchase	8,430	Normal	-
	ADL	ADL	3	Payables to related parties	24,773	30 days after invoice date	-
	ADL	ADL	3	Receivables from related parties	24,773	30 days after invoice date	-
	ADL	AESC	3	Receivables from related parties	(23,031)	30 days after invoice date	-
	ADL	AESC	3	Payables to related parties	44,604	30 days after invoice date	-
	ADL	AEU	3	Payables to related parties	86,594	30 days after invoice date	-
	ADL	AEU	3	Interest expense	2,654	Normal	-
9	ASG	Advantech Co., Ltd.	2	Receivables from related parties	103	60-90 days	-
	ASG	Advantech Co., Ltd.	2	Purchase	104,191	Normal	1
	ASG	Advantech Co., Ltd.	2	Payables to related parties	19,868	60-90 days	-
	ASG	Advantech Co., Ltd.	2	Sales	11	Normal	-
	ASG	AMY	3	Receivables from related parties	281	30 days	-
	ASG	AMY	3	Sales	4,132	Normal	-
	ASG	AMY	3	Purchase	41	Normal	-
	ASG	AMY	3	Other expense	52	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
	ASG ASG ASG ASG ASG	AASC AESC AASC ANA AESC	3 3 3 3 3	Receivables from related parties Sales Sales Purchase Purchase	\$ 117 2 115 218 43	Normal Normal Normal Normal Normal	- - - - -
10	AJP AJP AJP AJP AJP AJP AJP AJP AJP	Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. ANA AESC AKMC ACN AESC	2 2 2 2 3 3 3 3 3	Sales Purchase Payables to related parties Other expense Purchase Payables to related parties Receivables from related parties Purchase Purchase	10 281,474 43,556 4,954 12 15 116 73 11	Normal Normal 60-90 days Normal Normal 30 days 45 days Normal Normal	- 2 - - - - - - -
11	AAU AAU AAU AAU AAU AAU AAU AAU AAU	Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. AESC ANA ANA ANA ACN ACN	2 2 2 3 3 3 3 3 3	Purchase Payables to related parties Sales Purchase Purchase Payables to related parties Receivables from related parties Payables to related parties Purchase	109,481 22,896 60 185 123 3 501 876 1,287	Normal 60-90 days Normal Normal Normal 60-90 days 30 days after invoice date 30th of every month Normal	1 - - - - - - - -
12	Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp. Advansus Corp.	Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. AKMC AKMC AKMC AKMC BCM Embedded Computer Inc. BCM Embedded Computer Inc.	2 2 2 2 2 2 3 3 3 3 3 3	Sales Receivables from related parties Purchase Payables to related parties Rental expense Other expense Payables to related parties Purchase Receivables from related parties Sales Receivables from related parties Sales	1,395,566 207,589 12,360 2,479 5,265 8,259 3,654 19,123 225,656 1,121,253 4,746 52,899	Normal 60-90 days Normal 60-90 days Normal Normal Prompt payment Normal 60-90 days Normal 60-90 days Normal	8 1 - - - - - - 1 7 - -
13	Advantech Fund - A Advantech Fund - A Advantech Fund - A Advantech Fund - A Advantech Fund - A	Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Advantech Co., Ltd. Netstar Technology Co., Ltd.	2 2 2 2 3	Rental expense Interest revenue Receivables from related parties Payables to related parties Interest revenue	27 436 180,000 6 550	Normal Normal Normal Prompt payment Per quarter	- - 1 - -

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
14	AMY	Advantech Co., Ltd.	2	Purchase	\$ 26,800	Normal	-
	AMY	Advantech Co., Ltd.	2	Payables to related parties	7,848	45 days	-
	AMY	Advantech Co., Ltd.	2	Receivables from related parties	643	Normal	-
	AMY	ASG	3	Payables to related parties	281	30 days	-
	AMY	ASG	3	Other revenue	52	Normal	-
	AMY	ASG	3	Purchase	4,132	Normal	-
	AMY	ANA	3	Purchase	117	60 days	-
	AMY	ASG	3	Sales	41	Normal	-
	15	SHHQ	ACN	3	Interest revenue	158	Normal
16	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Sales	52,179	Normal	-
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Purchase	3,851	Normal	-
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Receivables from related parties	12,776	60 days	-
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Payables to related parties	278	25th of every quarter	-
	Netstar Technology Co., Ltd.	Advantech Co., Ltd.	2	Other expense	640	Normal	-
	Netstar Technology Co., Ltd.	Advantech Fund - A	3	Interest expense	550	Per quarter	-
	Netstar Technology Co., Ltd.	Broadwin Technology, Inc.	3	Interest expense	550	Per quarter	-
	Netstar Technology Co., Ltd.	Broadwin Technology, Inc.	3	Payables to related parties	35,175	Per quarter	-
	Netstar Technology Co., Ltd.	Lansonic	3	Receivables from related parties	3,676	60 days	-
	Netstar Technology Co., Ltd.	Netstar Electronics Corporation	3	Receivables from related parties	67,521	60 days	-
	Netstar Technology Co., Ltd.	AKMC	3	Receivables from related parties	3,519	Every two months	-
	Netstar Technology Co., Ltd.	AKMC	3	Sales	24,236	Every two months	-
	Netstar Technology Co., Ltd.	AKMC	3	Payables to related parties	59,415	Per quarter	-
	Netstar Technology Co., Ltd.	AKMC	3	Purchase	201,326	Per quarter	1
17	Jan Hsiang	Advantech Co., Ltd.	2	Sales	17,826	Normal	-
	Jan Hsiang	Advantech Co., Ltd.	2	Receivables from related parties	1,767	60 days	-
18	AYS	Advantech Co., Ltd.	2	Receivables from related parties	22,993	90 days	-
19	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Rental expense	585	Normal	-
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Payables to related parties	77	30 days	-
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Purchase	681	Normal	-
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Receivables from related parties	86	30 days	-
	BCM Embedded Computer Inc.	Advantech Co., Ltd.	2	Sales	504	Normal	-
	BCM Embedded Computer Inc.	ACN	3	Payables to related parties	1,805	60 days	-
	BCM Embedded Computer Inc.	AiSC	3	Payables to related parties	860	60 days	-
	BCM Embedded Computer Inc.	Advansus Corp.	3	Payables to related parties	4,746	60-90 days	-
	BCM Embedded Computer Inc.	Advansus Corp.	3	Purchase	52,899	Normal	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
20	Broadwin Technology, Inc.	Advantech Co., Ltd.	2	Purchase	\$ 2,158	Normal	-
	Broadwin Technology, Inc.	Advantech Co., Ltd.	2	Receivables from related parties	417	60 days	-
	Broadwin Technology, Inc.	Advantech Co., Ltd.	2	Sales	697	Normal	-
	Broadwin Technology, Inc.	Advantech Co., Ltd.	2	Payables to related parties	1,576	60 days	-
	Broadwin Technology, Inc.	Advantech Co., Ltd.	2	Other expense	560	Normal	-
	Broadwin Technology, Inc.	Netstar Technology Co., Ltd.	3	Interest revenue	550	Per quarter	-
	Broadwin Technology, Inc.	Netstar Technology Co., Ltd.	3	Receivables from related parties	35,175	Per quarter	-
	21	AHK	Advantech Co., Ltd.	2	Receivables from related parties	4	60 days
AHK		Advantech Co., Ltd.	2	Payables to related parties	12	60 days	-
AHK		ACN	3	Payables to related parties	5,782	60-90 days	-
AHK		ACN	3	Purchase	18	Normal	-
AHK		AISC	3	Payables to related parties	13,336	30 days	-
22	AISC	Advantech Co., Ltd.	2	Purchase	1,140,951	Normal	7
	AISC	Advantech Co., Ltd.	2	Payables to related parties	253,310	60 days	1
	AISC	Advantech Co., Ltd.	2	Receivables from related parties	103	45 days	-
	AISC	AKMC	3	Sales	3,692	Normal	-
	AISC	AKMC	3	Purchase	257,392	Normal	2
	AISC	AKMC	3	Payables to related parties	46,093	Prompt payment	-
	AISC	AKMC	3	Receivables from related parties	532	30 days	-
	AISC	AESC	3	Purchase	707	Normal	-
	AISC	BCM Embedded Computer Inc.	3	Receivables from related parties	860	45 days	-
	AISC	ACN	3	Interest revenue	1,194	60 days	-
	AISC	ACN	3	Sales	127,851	Normal	1
	AISC	ACN	3	Receivables from related parties	180,618	25th of every month	1
	AISC	ACN	3	Purchase	166,660	Normal	1
	AISC	ACN	3	Payables to related parties	132,478	25th of every month	1
	AISC	Hangzhou Advantofine Automation tech. Co., Ltd.	3	Receivables from related parties	14,951	Prompt collection	-
	AISC	Hangzhou Advantofine Automation tech. Co., Ltd.	3	Sales	39,749	Normal	-
	AISC	AHK	3	Receivables from related parties	13,336	30 days	-
23	Hangzhou Advantofine Automation tech. Co., Ltd.	AISC	3	Payables to related parties	14,951	Prompt payment	-
		AISC	3	Purchase	39,749	Normal	-
24	AXA	ACN	3	Receivables from related parties	158	25th of every month	-
		ACN	3	Sales	10,968	Normal	-
		ACN	3	Payables to related parties	9,203	Prompt payment	-
25	ABR	Advantech Co., Ltd.	2	Purchase	59,746	Normal	-
		Advantech Co., Ltd.	2	Receivables from related parties	27	Normal	-
		Advantech Co., Ltd.	2	Other expense	447	Normal	-
		Advantech Co., Ltd.	2	Payables to related parties	14,269	90 days	-

(Continued)

Number (Note A)	Company Name	Counter Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Consolidated Assets/Revenue (Note C)
26	Netstar Electronics Corporation	Netstar Technology Co., Ltd.	3	Payables to related parties	\$ 67,521	Per month	-
27	Cermate	Advantech Co., Ltd.	2	Payables to related parties	126	Every 6 months (June and December)	-
	Cermate	Advantech Co., Ltd.	2	Sales	10,361	Normal	-
	Cermate	Advantech Co., Ltd.	2	Receivables from related parties	1,472	Every 6 months (June and December)	-
	Cermate	Advantech Co., Ltd.	2	Other expense	280	Normal	-
	Cermate	Cermate (Shenzhen)	3	Purchase	4,854	Normal	-
	Cermate	Cermate (Shenzhen)	3	Payables to related parties	1,617	60 days	-
	Cermate	Cermate (Shenzhen)	3	Receivables from related parties	14,085	30 days	-
	Cermate	Cermate (Shenzhen)	3	Sales	39,154	Normal	-
28	AKR	Advantech Co., Ltd.	2	Purchase	276,904	Normal	2
	AKR	Advantech Co., Ltd.	2	Payables to related parties	80,484	Prompt payment	-
	AKR	Advantech Co., Ltd.	2	Interest expense	21	Normal	-
	AKR	Advantech Co., Ltd.	2	Other expense	15,923	Normal	-
	AKR	ACN	3	Purchase	37	Normal	-
29	DLoG	Advantech Co., Ltd.	2	Purchase	836	Normal	-
	DLoG	Advantech Co., Ltd.	2	Payables to related parties	503	30 days	-
	DLoG	AESC	3	Purchase	269	Normal	-
	DLoG	AESC	3	Payables to related parties	275	30 days	-
30	Cermate (Shenzhen)	Cermate	3	Receivables from related parties	1,617	60 days	-
	Cermate (Shenzhen)	Cermate	3	Sales	4,854	Normal	-
	Cermate (Shenzhen)	Cermate	3	Purchase	39,154	Normal	-
	Cermate (Shenzhen)	Cermate	3	Payables to related parties	14,085	30 days	-
	Cermate (Shenzhen)	Cermate (Shanghai)	3	Sales	21,472	Normal	-
	Cermate (Shenzhen)	Cermate (Shanghai)	3	Purchase	156	Normal	-
31	Cermate (Shanghai)	Cermate (Shenzhen)	3	Purchase	21,472	Normal	-
	Cermate (Shanghai)	Cermate (Shenzhen)	3	Sales	156	Normal	-
32	AiST	Advantech Co., Ltd.	2	Interest revenue	48	Normal	-
	AiST	Advantech Co., Ltd.	2	Receivables from related parties	20,000	Normal	-
33	Lansonic	Netstar Technology Co., Ltd.	3	Payables to related parties	3,676	60 days	-

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

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

(Continued)

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

1. From the Parent Company to its subsidiary.
2. Subsidiary to its Parent Company, Advantech Co., Ltd.
3. Between subsidiaries.

Note C: For assets and liabilities, amount is shown as a percentage to consolidated total assets as of September 30, 2011 and 2010, respectively; while revenues, costs and expenses are shown as a percentage to consolidated total operating revenues for the nine months ended September 30, 2011 and 2010, respectively.

Note D: All intercompany transactions have been eliminated.

(Concluded)