

PEGATRON CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 2010 AND 2009
(With Independent Accountants' Review Report)

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(English Translation of Financial Report Originally Issued in Chinese)

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of
Pegatron Corporation

We have reviewed the accompanying balance sheet of Pegatron Corporation (the “Company”) as of March 31, 2010, and the related statements of income and cash flows for the three months then ended. These financial statements are the responsibility of the Company’s management. Our responsibility is to issue the review report based on our reviews. The financial statements of the Company as of and for the three months period ended March 31, 2009, were reviewed by other auditors whose report, dated April 20, 2009, expressed a qualified review report with respect to the financial statements of the Company’s subsidiaries which were not reviewed by the other auditors.

Except as stated in the following paragraph, we conducted our review in accordance with Statement of Auditing Standards No. 36 “Engagements to Review Financial Statements”. A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. 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 described in Note (4) (d) to the financial statements, the investments accounted for by the equity method of NT\$ 86,091,614 thousand as of March 31, 2010 and the investment loss of NT\$ 107,397 thousand for the three months period ended March 31, were recognized based on unreviewed financial statements of the investee companies. Note 11 Information on investee companies were prepared by the investees and not reviewed in compliance with the review standard described in the second paragraph.

Based on our review, except for the effects of any adjustments to the financial statements described above as of and for the three months period ended March 31, 2010, that might have emerged had the financial statements of investee companies been reviewed by independent accountants, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, requirements of the Business Entity Accounting Act and Guidelines Governing Business Accounting relevant to financial accounting standards, and accounting principles generally accepted in the Republic of China.

We have also reviewed the consolidated financial statements of the Company as of and for the three month period ended March 31, 2010 and have issued a qualified review report.



Taipei, Taiwan, R.O.C

April 20, 2010

Note 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 financial statements are those generally accepted and applied in the Republic of China.

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

(English Translation of Financial Report Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards.
PEGATRON CORPORATION
BALANCE SHEETS
March 31, 2010 and 2009
(All Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	March 31, 2010		March 31, 2009	
	Amount	%	Amount	%
ASSETS				
Current Assets:				
Cash (Notes (4)(a))	\$ 7,010,340	4	7,951,941	5
Financial assets reported at fair value through profit or loss — current	-	-	748,022	-
Notes receivable, net of allowance for uncollectible accounts (Notes (4)(b) and (5))				
– Non-related Parties	81	-	747	-
Accounts receivable, net of allowance for uncollectible accounts (Notes (4)(b) and (5))				
– Non-related Parties	12,297,892	6	17,248,888	11
– Related parties (Note (5))	63,648,564	34	23,602,797	14
Other receivables, net of allowance for uncollectible accounts				
– Non-related parties	2,572,442	1	817,876	1
– Related parties (Note (5))	1,225,297	1	935,032	1
Other financial assets — current (Note (6))	101,887	-	121,597	-
Inventories (Notes (4)(c))	9,581,456	5	14,645,300	9
Other current assets	53,733	-	67,127	-
Deferred income tax assets — current (Notes (4)(i))	369,535	-	886,419	1
	96,861,227	51	67,025,746	42
Investments:				
Long-term investments under the equity method (Notes (4)(d))	87,700,246	46	88,765,074	54
Other Financial Assets — Noncurrent (Note (6))				
	198,324	-	349,321	-
Property, Plant and Equipment, at cost :				
Land	2,141,236	1	2,561,627	2
Buildings	1,710,514	1	1,936,746	1
Machinery and equipment	283,315	-	625,362	-
Warehousing equipment	1,199	-	8,451	-
Instrument equipment	314,713	-	746,063	-
Transportation equipment	24,965	-	23,097	-
Office equipment	3,951	-	4,788	1
Leased assets	25,573	-	20,365	-
Miscellaneous equipment	395,079	-	393,234	-
	4,900,545	2	6,319,733	4
Less: Accumulated depreciation	(804,044)	-	(1,352,582)	(1)
Prepayments for equipment	-	-	11,777	-
	4,096,501	2	4,978,928	3
Intangible Assets				
	215,288	-	215,728	-
Other Assets — Others (Notes (4)(e) and (4)(i))				
	1,853,353	1	1,482,776	1
TOTAL ASSETS	\$ 190,924,939	100	162,817,573	100

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

(English Translation of Financial Report Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards.

PEGATRON CORPORATION
 BALANCE SHEETS (CONT'D)

March 31, 2010 and 2009

(All Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	March 31, 2010		March 31, 2009	
	Amount	%	Amount	%
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities:				
Short-term debt (Note (4)(f))	\$ 1,590,000	1	1,300,000	1
Notes payable and Accounts payable				
– Non-related parties	17,537,885	9	18,277,624	11
– Related parties (Note (5))	48,516,928	25	18,569,858	11
Accrued expenses				
– Non-related parties	3,489,341	2	4,285,219	3
– Related parties (Note (5))	12,021,368	6	16,100,336	10
Dividend payable (Note (4)(j))				
Other financial liabilities – current	4,000,594	2	-	-
Other current liabilities (Note (4)(i))	3,156,371	2	3,500,110	2
	<u>90,312,487</u>	<u>47</u>	<u>62,033,147</u>	<u>38</u>
Long-Term Loans (Note (4)(g))	<u>7,200,000</u>	<u>4</u>	<u>8,000,000</u>	<u>-</u>
Other Liabilities:				
Other financial liabilities – noncurrent	21,019	-	11,401	-
Deferred income tax liabilities – noncurrent (Notes (4)(i))	179,171	-	-	-
Other long-term liabilities– other	57,450	-	19,483	-
	<u>257,640</u>	<u>-</u>	<u>30,884</u>	<u>-</u>
Total Liabilities	<u>97,770,127</u>	<u>51</u>	<u>70,064,031</u>	<u>43</u>
Stockholders' Equity:				
Common stock – authorized 2,500,000 thousand shares, 2,286,054 thousand shares issued and outstanding as of March 31, 2010; 1,884,628 thousand shares issued and outstanding as of March 31, 2009 (Note (4)(j))	22,860,539	12	18,846,281	11
Capital Surplus (Note (4)(j))				
Premium on capital stock	61,188,108	32	61,188,108	39
Other	2,608,589	1	2,433,632	1
	<u>63,796,697</u>	<u>33</u>	<u>63,621,740</u>	<u>40</u>
Retained Earnings (Note (4)(j)):				
Legal reserve	1,215,457	1	-	-
Unappropriated earnings	3,817,485	2	5,887,674	4
	<u>5,032,942</u>	<u>3</u>	<u>5,887,674</u>	<u>4</u>
Other Adjustments to Stockholders' Equity:				
Cumulative translation adjustments	-225,012	-	3,924,246	2
Unrecognized loss on pension cost	-3,202	-	-1,115	-
Unrealized profit of financial assets	1,692,848	1	474,716	-
	<u>1,464,634</u>	<u>1</u>	<u>4,397,847</u>	<u>2</u>
Total Stockholders' Equity	<u>93,154,812</u>	<u>49</u>	<u>92,753,542</u>	<u>57</u>
Commitments and Contingencies (Note (7))				
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 190,924,939</u>	<u>100</u>	<u>162,817,573</u>	<u>100</u>

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

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PEGATRON CORPORATION
STATEMENTS OF INCOME
FOR THREE MONTHS ENDED MARCH 31, 2010 AND 2009
(All Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data))

	For the Three Months Period Ended March 31,			
	2010		2009	
	Amount	%	Amount	%
Operating revenues (Note (5))	\$ 84,654,288	100	64,490,353	100
Less: Sales returns	77,415	-	189,780	-
Sales allowances	231,995	-	58,821	-
Net sales	84,344,878	100	64,241,752	100
Cost of sales (Notes (4)(c) and (5))	79,836,678	95	61,975,207	96
Gross profit	4,508,200	5	2,266,545	4
Realized gains profit—beginning of the period (Note (5))	10,613	-	-	-
Unrealized gross profit—end of the period	-	-	(4,985)	-
	4,518,813	5	2,261,560	4
Operating expenses (Notes (5))				
Selling expenses	580,959	1	533,063	1
General and administrative expenses	333,705	-	341,676	1
Research and development expenses	870,892	1	775,928	1
	1,785,556	2	1,650,667	3
Income from operations	2,733,257	3	610,893	1
Non-operating income				
Interest revenue	2,268	-	3,198	-
Investment income under the equity method	-	-	14,706	-
Foreign exchange gain, net	83,889	-	-	-
Rent revenue	15,628	-	15,079	-
Others	279,035	-	308,705	-
	380,820	-	341,688	-
Non-operating expenses				
Interest expense	23,013	-	40,887	-
Investment loss under the equity method	443,245	-	-	-
Foreign exchange loss, net	-	-	89,027	-
Others	62,802	-	34,079	-
	529,060	-	163,993	-
Income before income tax	2,585,017	3	788,588	1
Income expense (Note (4)(i))	809,701	1	275,587	-
Net income	\$ 1,775,316	2	513,001	1

	Before	After	Before	After
	Income Tax	Income Tax	Income Tax	Income Tax
Earnings per share (Notes (2) and (4)(k))				
Primary earnings per share	\$ 1.13	0.78	0.42	0.27
Primary earnings per share - retroactively adjusted			0.34	0.22
Diluted earnings per share	\$ 1.11	0.77	0.42	0.27
Diluted earnings per share - retroactively adjusted			0.34	0.22

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

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Reviewed only, not audited in accordance with generally accepted auditing standards.

PEGATRON CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2010 and 2009
 (All Amount Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

	For the Three Months Period Ended March 31,	
	2010	2009
Cash flows from operating activities:		
Net income	\$ 1,775,316	513,001
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	66,605	81,880
Amortization	167,636	126,898
Loss on disposal and retirement of assets, net	8,943	4,012
Reversal for impairment loss	(20)	(7,985)
Loss(Reversal) for inventory market price decline and obsolescence	(77,443)	119,488
Investment (income) loss under equity method	443,245	(14,706)
Change in assets and liabilities:		
Financial assets reported at fair value through profit or loss -- current	-	(748,022)
Notes and accounts receivable	7,598,106	6,897,171
Other receivables	(30,437)	923,163
Inventories	1,013,195	3,956,430
Other current assets	(8,542)	(38,354)
Deferred income tax assets and liabilities, net	458,855	105,947
Notes and accounts payable	(7,132,157)	(3,711,688)
Accrued expenses	869,460	2,046,037
Other current liabilities	(163,277)	363,948
Other liabilities -- current	(10,643)	4,985
Net cash provided by operating activities	4,978,842	10,622,205
Cash flows from investing activities:		
Decrease(Increase)other financial assets	39,710	(1,597)
Increase in long-term investments under the equity method	(39,294)	(1,344,000)
Returned investments due to subsidiary company's capital decrease	-	120,000
Decrease (Increase) in other financial assets -- noncurrent	5,326	(33,892)
Proceeds from sale of assets	202	4,726
Purchase of property, plant and equipment	(8,050)	(107,926)
Purchase of deferred charges	(51,390)	(113,338)
Net cash used in investing activities	(53,496)	(1,476,027)
Cash flows from financing activities:		
(Decrease) Increase in short-term loans	(1,433,055)	(7,120,000)
Increase in deposits received	5,301	6,281
Net cash used in financing activities	(1,427,754)	(7,113,719)
Net increase in cash	3,497,592	2,032,459
Cash, beginning of the period	3,512,748	5,919,482
Cash, end of the period	\$ 7,010,340	7,951,941
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	\$ 22,884	57,143
Income tax	\$ 59	295
Non-cash investing and financing activities:		
Reclassification of property, plant and equipment to idle assets	\$ 81,014	444,662
Dividend receivable	\$ 2,100,263	-
Dividend payable	\$ 4,000,594	-

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

(English Translation of Financial Report Originally Issued in Chinese)
PEGATRON CORPORATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2010 AND 2009
(Amounts Expressed in Thousands of New Taiwan Dollars, Except for
Per Share Information and Unless otherwise Stated)

1. Organization and Business

Pegatron Corporation (the “Company”) was established on June 27, 2007. In order to enhance competitiveness and boost productivity, the Company resolved to accept the OEM business from ASUSTek Computer Inc. on January 1, 2008 to restructure the Company’s business. ASUSALPHA Computer Inc. was merged with the Company on April 1, 2008. The main activities of the Company are to produce, design and sell OEM business. In January 2010, pursuant to the resolutions of the board of directors, the Company decided to merge with Pegatron International Investment Co., Ltd., and the record date for the merger is June 10, 2010, as discussed in Note 4(j).

The Company’s parent company is ASUSTeK Computer Inc. As of March 31, 2010 and 2009, the Company had 4,166 and 4,561 employees, respectively.

2. Summary of Significant Accounting Policies

The Company’s financial statements were prepared in accordance with Guidelines Governing the Preparation of Financial Reports by Securities Issuers, the Business Entity Accounting Act, and the Guidelines Governing Business Accounting and generally accepted accounting principles of the Republic of China. The significant accounting policies and their measurement basis are as follows:

a. Use of Estimates

The preparation of the accompanying financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

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PEGATRON CORPORATION

NOTES TO FINANCIAL STATEMENTS (CONT'D)

b. Foreign Currency Translation

The Company records its transactions in New Taiwan dollars. Non-derivative foreign currency transactions are recorded at the exchange rates prevailing at the transaction date. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into New Taiwan dollars using the exchange rates on that date, and the resulting unrealized exchange gains or losses from such translations are reflected in the accompanying statements of income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the reporting currency using the foreign exchange rates at the balance sheet date. If the non-monetary assets or liabilities are measured at fair value through profit or loss, the resulting unrealized exchange gains or losses from such translation are reflected in the accompanying statements of income. If the non-monetary assets or liabilities are measured at fair value through stockholders' equity, the resulting unrealized exchange gains or losses from such translation are recorded as a separate component of stockholders' equity.

For long-term equity investments in foreign investees which are accounted for by the equity method, their foreign currency-denominated assets and liabilities are translated at spot rate on the balance sheet date; the components of their stockholders' equity are translated at the historical rate except for the beginning balance of retained earnings, which is translated using the spot rate at the beginning of the year. Income statement accounts are translated at the weighted-average rate of the year. Translation differences are accounted for as cumulative translation adjustments to stockholders' equity.

c. Basis for Classifying Assets and Liabilities as Current or Non-current

Unrestricted cash, cash equivalents, assets held for trading, or other assets that the Company will convert to cash or use within in a relatively short period of time — one year or one operating cycle, whichever is longer — are classified as current assets; other assets are classified as non-current assets. Debts due within one year or one operating cycle, whichever is longer, are classified as current liabilities; other liabilities are classified as non-current liabilities.

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PEGATRON CORPORATION

NOTES TO FINANCIAL STATEMENTS (CONT'D)

d. Asset Impairment

The Company adopted Statement of Financial Accounting Standards No. 35 (SFAS 35) "Impairment of Assets". In accordance with SFAS 35, the Company assesses at each balance sheet date whether there is any indication that an asset (individual asset or cash-generating unit other than goodwill) may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The Company recognizes impairment loss for an asset whose carrying value is higher than the recoverable amount.

The Company reverses an impairment loss recognized in prior periods for assets other than goodwill if there is any indication that the impairment loss recognized no longer exists or has decreased. The carrying value after the reversal should not exceed the recoverable amount or the depreciated or amortized balance of the assets assuming no impairment loss was recognized in prior periods.

e. Financial Instruments

The Company classifies investments in financial assets as financial assets / liabilities reported at fair value through profit or loss or financial assets carried at cost.

Financial instrument transactions are recorded at the trading date. Financial instruments other than those held for trading are initially recognized at fair value plus transaction costs, while those held for trading are carried at fair value.

Subsequent to initial recognition, financial instruments are classified, depending on the Company's intention, as follows:

i. Financial assets or liabilities reported at fair value through profit or loss

Financial assets held for trading are those that the Company principally holds for the purpose of short-term profit-taking. Financial derivatives, except for those that meet the criteria for hedge accounting, are classified as financial instruments reported at fair value through profit or loss. These financial instruments are recorded as financial assets or liabilities for favorable or unfavorable changes in market value.

f. Notes and Accounts Receivable, and Allowance for Doubtful Accounts

Allowance for doubtful accounts is based on the aging analysis and results of the Company's evaluation of the collectability of outstanding receivable balances.

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PEGATRON CORPORATION

NOTES TO FINANCIAL STATEMENTS (CONT'D)

g. Inventories

Inventories are carried at the lower of cost or market value using a perpetual inventory basis. Cost is determined using the weighted-average method. Market value is determined by replacement value. A provision for inventory devaluation is recorded when the market value of inventories is less than cost. The fair value of finished goods, merchandise and work in process is determined on the basis of net realizable value, while the fair value of raw material is determined by replacement value. A provision for inventory devaluation and obsolescence is recorded as allowance for loss based on certain percentages according to the aging of inventories.

Effective January 1, 2009, the Company adopts Republic of China Statement of Financial Accounting Standards (SFAS) No. 10 "Inventories". According to SFAS 10, the cost of inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost principle. Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses at the end of the period.

h. Long-Term Equity Investments (Including Joint Ventures)

Long-term equity investments in which the Company, directly or indirectly, owns 20% or more of the investee's voting shares, or less than 20% of the investee's voting shares but is able to exercise significant influence over the investee's operating and financial policies, are accounted for under the equity method.

Investment in joint ventures in which the Company has the ability to control is accounted for under the equity method.

Unrealized profits/losses on inter-company transactions are eliminated and deferred. Regardless of whether inter-company transactions are downstream or upstream transactions, unrealized inter-company gains and losses are eliminated in proportion to the shareholding ratio, except for those in downstream transactions, where gain or loss is fully eliminated when controlling interests exist. Unrealized gains and losses resulting from transactions between investee companies are eliminated in proportion to shareholding ratio if controlling interests exist. Otherwise the unrealized gains or losses are eliminated according to the shareholding ratio. Gains and losses resulting from transactions involving depreciable assets are recognized ratably over their economic lives, while those from other assets are recognized immediately.

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

Cost and gains or losses on disposition of long-term equity investments are determined by the weighted-average method. Capital surplus from disposition of such investments is reduced by the percentage sold, with gains and losses included in current earnings.

The change in the carrying value of long-term equity investment as a result of the change in percentage of equity ownership due to disproportionate subscription to additional shares issued by the investee company is charged against capital surplus. When the balance of capital surplus arising from long-term equity investments is insufficient, the difference is charged against retained earnings.

i. Property, Plant, and Equipment, and Depreciation

Property, plant, and equipment are stated at cost. Interest expense incurred up to the time when the asset is ready for its intended use is capitalized as part of the acquisition cost. Major additions, improvements, and replacements are capitalized.

Depreciation is provided over the estimated economic lives using the straight-line method. Assets still in use at the end of their estimated useful lives are continuously depreciated based on their estimated remaining useful lives and estimated salvage values. Economic lives of major property and equipment are as follows:

Buildings and structures	5 to 50 years
Machinery and equipment	5 to 6 years
Warehousing equipment	8 years
Instrument equipment	1 to 3 years
Transportation equipment	1 to 5 years
Office equipment	5 years
Miscellaneous equipment	1 to 15 years

Gain and loss on disposal of properties are recorded as non-operating income or loss.

Rental assets and idle fixed assets, which are not used for operating purposes, are classified as other assets.

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

j. Intangible Assets

According to the Statement of Financial Accounting Standard No. 37 (SFAS 37) "Intangible Assets", intangible assets are stated at cost, except for the government grant which is stated at fair value. Intangible assets with finite life are measured at cost plus the revaluation increment arising from the revaluation in accordance with the laws, less any accumulated amortization and any impairment losses.

The amortizable amount of intangible assets with definite lives is determined after deducting its residual value. Amortization is recognized as an expense on a straight-line basis over the estimated useful lives of intangible assets from the date that they are made available for use. The economic useful lives of intangible assets are as follows:

Computer software cost	3 to 5 years
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The residual value, the amortization period, and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Any changes thereof are accounted for as changes in accounting estimates.

k. Deferred Expenses

The costs of renovation project, molds, fixtures and office decorations are deferred and amortized equally over 2 to 5 years.

l. Pension Plan

Upon on defined contribution pension plan, in accordance with the "Labor Pension Act", the Company contributes monthly to the Labor Pension Fund at the rate of 6% of the employees' monthly wages. These contributions are recognized as pension expense for the current period when made.

m. Warranty Reserve

A warranty reserve provided for products sold with a warranty based on estimated warranty service cost and in consideration of past experience.

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PEGATRON CORPORATION

NOTES TO FINANCIAL STATEMENTS (CONT'D)

n. Revenue Recognition

Revenue is recognized when title to the product and the risks and rewards of ownership are transferred to the customer; otherwise revenue recognition is deferred until these criteria are met. The related cost and expenses are recognized as the revenue is recognized. The expenses are recognized on accrual basis.

o. Classification of Capital and Operating Expenditures

Expenditures that benefit the Company in future years are capitalized, while immaterial expenditures or those with no future benefits are treated as current expense or loss.

p. Commitments and Contingencies

If loss from a commitment or contingency is deemed highly likely and the amount can be reasonably estimated, then such loss is immediately recognized. Otherwise only the nature of such loss is disclosed in the notes to the financial statements.

q. Income Tax

In accordance with Statement of Financial Accounting Standards No. 22 (SFAS 22) "Income Taxes", income taxes are accounted for using the asset and liability method. The income tax effects resulting from taxable temporary differences are recognized as deferred income tax liabilities. The income tax effects resulting from deductible temporary differences, loss carry forwards and investment tax credits are recognized as deferred income tax assets. The realization of the deferred income tax assets is evaluated, and if it is considered more likely than not that the deferred tax assets will not be realized, a valuation allowance is recognized accordingly. The Company recalculates deferred income tax liabilities and deferred income tax assets based on newly modified effective tax rate, and reports the difference between newly calculated amount and the originally calculated one as current expense or benefit. Adjustments to prior years' income taxes are reported as current income taxes.

Deferred income tax assets or liabilities are classified as current and non-current in accordance with the nature of the related assets and liabilities or the length of time to their reversal.

Income taxes credits from purchase of equipment, technical research and development, and personnel training are recognized by the flow-through method.

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PEGATRON CORPORATION

NOTES TO FINANCIAL STATEMENTS (CONT'D)

The 10% surtax on undistributed earnings of the Company is reported as current expense on the date when the stockholders declared not to distribute the earnings during their annual meeting.

r. Earnings per Share (“EPS”)

Earnings per share of common stock is determined based on net income available to common stockholders divided by the weighted-average number of outstanding shares of common stock. The effect on earnings per share from an increase in capital stock through the distribution of stock dividends from unappropriated earnings, capital surplus, or employee stock bonuses approved in the annual stockholders' meetings held before and in 2008 is computed retroactively.

Diluted EPS is calculated by dividing net income by the weighted-average number of common shares used in the basic EPS calculation plus the number of common shares that would be issued assuming all potentially dilutive common shares are converted and outstanding. The employee bonus appropriated after 1 January, 2008 are potentially dilutive common shares. If a dilutive effect does not exist, only basic EPS is disclosed; otherwise, diluted EPS is disclosed in addition to the basic EPS.

s. Spin-Off Transactions

Spin-off transactions are accounted for by the Interpretation (91) 128 issued by the ROC Accounting Research and Development Foundation. If a transferor company and a transferee company are affiliated and the nature of the transfer is group reorganization, the assets and liabilities are recognized by the transferee based on the book value of the assets and liabilities of the transferor company without recognizing any transfer gain/loss. However, if the book value of the assets has any impairment loss, it shall be considered.

t. Employee Bonuses and Remuneration to Directors and Supervisors

Appropriations for employee bonuses and remuneration to directors and supervisors appropriated are accounted for Interpretation (96) 052 issued by the ROC Accounting Research and Development Foundation. According to this Interpretation, the Company estimates the amount of employee bonuses and remuneration to directors and supervisors and recognizes it as expenses in the year when services are rendered. The differences between the amounts approved in the shareholders' meeting and those recognized in the financial statements, if any, are accounted for as changes in accounting estimates and recognized in profit or loss.

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

3. Reasons for and Effect of Accounting Changes:

Effective January 1, 2009, the Company adopted Republic of China Statement of Financial Accounting Standards (SFAS) No. 10 "Inventories". The adoption of this accounting principle did not have any significant effect on the Company's financial statements for the three months ended March 31, 2009.

4. Summary of Major Accounts

a. Cash

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Cash on hand	\$ -	843
Checking accounts	-	276
Demand deposits	2,283,884	440,820
Time deposits	250,000	-
Foreign currency deposits	4,476,456	1,558,797
Foreign currency time deposits	-	5,951,205
Total	<u>\$ 7,010,340</u>	<u>7,951,941</u>

b. Notes and Accounts Receivable — Non-related Parties

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Notes receivable	\$ 135	884
Less: Allowance for doubtful accounts	(54)	(137)
Net	<u>81</u>	<u>747</u>
Accounts receivable	12,402,016	17,414,031
Less: Allowance for doubtful accounts	(104,124)	(165,143)
Net	<u>12,297,892</u>	<u>17,248,888</u>
Total	<u>\$ 12,297,973</u>	<u>17,249,635</u>

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

c. Inventories

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Merchandise	\$ -	220,982
Finished goods	3,871,813	6,526,624
Work in process	791,077	2,354,276
Raw materials	5,168,269	6,691,461
Inventories-in-transit	103,350	229,511
Sub-total	9,934,509	16,022,854
Less: Allowance for inventory market decline and obsolescence	(353,053)	(1,377,554)
Total	<u>\$ 9,581,456</u>	<u>14,645,300</u>

For the three months period ended March 31, 2010 and 2009, the components of cost of sales were as follows:

	<u>For the Three Months Period Ended</u>	
	<u>March 31,</u>	
	<u>2010</u>	<u>2009</u>
Cost of goods sold	\$ 79,914,121	61,855,719
Loss on disposal of scrapping	-	28,786
(Gain) Loss on inventory valuation and obsolescence	(77,443)	90,702
Others	-	-
	<u>\$ 79,836,678</u>	<u>61,975,207</u>

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

d. Long-Term Equity Investments

Name of Investee Company	March 31, 2010			March 31, 2009		
	Equity	Book	Original	Equity	Book	Original
	Holding	Value	Investment	Holding	Value	Investment
PEGATRON HOLDING LTD	100.00%	\$ 28,235,315	24,320,960	100.00%	26,921,802	21,301,063
ASUSPOWER INVESTMENT CO., LTD.	100.00%	14,514,885	13,033,429	100.00%	13,686,839	13,033,429
ASUS INVESTMENT CO., LTD.	100.00%	15,733,003	16,184,982	100.00%	15,870,545	16,184,982
ASUSTEK INVESTMENT CO., LTD.	100.00%	14,676,559	14,593,543	100.00%	15,163,948	14,593,543
ADVANSUS CORP.	50.00%	232,283	166,364	50.00%	196,283	286,364
ENERTRONIX, INC.	-	-	-	100.00%	350,393	446,342
ASUS HOLLAND HOLDING B.V.	92.45%	1,359,719	1,153,501	92.45%	1,011,090	1,153,501
PEGATRON USA, INC.	100.00%	18,078	16,085	100.00%	19,085	16,085
UNIHAN CORPORATION	100.00%	12,930,404	12,098,279	100.00%	15,545,089	12,098,279
Total		<u>\$ 87,700,246</u>			<u>88,765,074</u>	

The investment income (loss) of the Company recognized under the equity method were \$(443,245) and \$14,706 for the three months period ended March 31, 2010 and 2009, respectively. Part of the long-term investments accounted for under the equity method were based on the investees' financial statements which were not reviewed by independent accountant, and for which investment loss of \$107,397 and \$1,042,094, respectively, was recognized.

Investees, in which the Company has controlling interest over their operation, are included in the Company's consolidated financial statements, except for ADVANSUS CORP.

ADVANSUS CORP. is a joint venture entity of the Company, which held the assets and liabilities of ADVANSUS CORP as follows:

	March 31, 2010	March 31, 2009
Current assets	\$ 567,028	495,264
Non-current assets	17,440	73,223
Current liabilities	352,185	371,859
Other liabilities	-	345
	For the Three Months Period Ended March 31,	
	2010	2009
Revenues	\$ 457,664	359,758
Expenses	445,780	352,704

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e. Idle Assets

- (i) In accordance with Statement of Financial Accounting Standards No. 35 (SFAS 35) "Accounting for Asset Impairment", the Company performs asset impairment test by comparing the recoverable amount with carrying value of the idle assets amount. Based on the results of such assessment, the Company recognized provisions for impairment loss of \$46,114 and \$36,748 as of March 31, 2010 and 2009, respectively.
- (ii) The Company sold part of its idle assets and recognized a gain from impairment recovery and a loss on disposal of assets \$7,985 and \$(3,723) for the three months period ended March 31, 2010, respectively.

f. Short-Term Loans

<u>Nature of the loan</u>	<u>Amount</u>	<u>Range of interest rate</u>
<u>March 31, 2010</u>		
Credit loan	<u>\$ 1,590,000</u>	0.45%~0.48%
<u>March 31, 2009</u>		
Credit loan	<u>\$ 1,300,000</u>	0.97%

The Company issued promissory notes as guarantee for part of credit loan facility. The majority of the credit loan lines were used jointly by the Company and Unihan Corporation.

g. Long-Term Loans

The terms and conditions of syndicated facility agreement signed by the Company on October 30, 2008 were as follows:

<u>Types of Debt</u>	<u>Creditor</u>	<u>March 31,</u>		<u>Repayment Schedule</u>	<u>Credit line</u>
		<u>2010</u>	<u>2009</u>		
Credit loan	ABN AMRO , Mega International Commercial Bank and 14 other banks	<u>\$ 7,200,000</u>	<u>8,000,000</u>	2008.10.30~2011.10.30, \$1.5 billion is repayable in 4 semi-annual installments, commencing on April 30, 2010 and the remaining balance is payable on maturity date.	<u>12,000,000</u>

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For the three months periods ended March 31, 2010 and 2009, long-term loans bore interest at rates averaging from 1.15% and 1.378%, respectively. According to the agreement, during the loan repayment periods, the Company must comply with certain financial covenants based on the audited consolidated financial statements on the balance sheet date (June 30 and December 31) as follows:

- (i) Current ratio (current assets/current liabilities): should not be less than 100%.
- (ii) Debt ratio ((total liabilities + contingent liabilities)/tangible net assets): should not be higher than 50%.
- (iii) Interest coverage ratio (EBITDA/interest expense): should not be less than 400%.
- (iv) Tangible net assets (stockholders' equity (including minority shareholders) - intangible assets): should not be less than \$90 billion.

As of December 31, 2009, the Company was in compliance with the loan covenants mentioned above.

The Company's promissory notes were pledged as a guarantee for the credit loan facility.

h. Pension Plan

For the three months periods ended March 31, 2010 and 2009, the pension costs for the defined contribution pension plan of the Company amounted to \$36,334 and \$39,401, respectively.

i. Income Tax

- (i) The Company is subject to income tax at the current rate of 25% and is covered by the Basic Income Tax Act. According to the revised tax law announced on May 27, 2009, the statutory income tax rate will be reduced to 20% commencing from the year 2010.
- (ii) For the three months periods ended March 31, 2010 and 2009, the components of income tax expense were as follows:

	For the Three Months Period Ended	
	March 31,	
	2010	2009
Current income tax expense	\$ 258,500	169,640
Deferred income tax expense	449,093	105,947
10% surtax on undistributed earnings	102,108	-
Income tax expense	<u>\$ 809,701</u>	<u>275,587</u>

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The components of deferred income tax expense were as follows:

	For the Three Months Period Ended	
	March 31,	
	2010	2009
Reversal (Provisions) for warranty reserve	\$ 17,884	(76,142)
Unrealized exchange gain (loss)	38,971	(132,278)
Unrealized foreign investment gain	722	-
Bonus	-	78,807
Organization Costs	-	50
Unrealized profits on sales	2,122	2,379
Amortization of employee benefits	5	6
Reversal (Provisions) for loss on allowance for inventory market decline and obsolescence	15,489	(22,676)
Investment tax credits	360,607	124,036
Loss carry-forward	13,289	-
Reversal (Provisions) for impairment loss on assets	4	1,996
Valuation allowance of deferred tax assets	-	129,769
Deferred income tax expense	<u>\$ 449,093</u>	<u>105,947</u>

- (iii) The income tax calculated on pretax financial income at a statutory income tax rate was reconciled with the income tax expense as reported in the accompanying financial statements for the three months ended March 31, 2010 and 2009 as follows:

	For the Three Months Period Ended	
	March 31,	
	2010	2009
Income tax expense calculated on pre-tax financial income at the statutory tax rate	\$ 516,993	197,137
Permanent differences	88,491	(3,752)
Tax-exempt income	-	(1,963)
10% surtax on undistributed earnings	102,108	-
Investment tax credits	102,109	(45,604)
Valuation allowance of deferred tax assets	-	129,769
Income tax expense	<u>\$ 809,701</u>	<u>275,587</u>

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- (iv) As of March 31, 2010 and 2009, the temporary differences, loss carry-forwards and income tax credits, generated from deferred income tax assets(liabilities), and the related income tax effect thereof were as follows:

Temporary differences of deferred income tax assets(liabilities)— current:	March 31, 2010		March 31, 2009	
	Amount	Income Tax Effects	Amount	Income Tax Effects
Recognition of unrealized foreign exchange (gain) loss: taxable	\$ (411,045)	(82,209)	948,632	237,158
Recognition of loss on allowance for inventory market decline and obsolescence: deductible	353,053	70,610	1,377,554	344,389
Recognition of unrealized intercompany profits: deductible	57,450	11,490	4,984	1,246
Recognition of deferred employee benefits for tax: deductible	75	15	76	19
Recognition of warranty reserve: deductible	885,919	177,184	1,217,820	304,455
Recognition of bonus reserve: deductible	-	-	315,230	78,807
Recognition of organization costs: deductible	-	-	600	150
Unused balance of investment tax credits	-	192,445	-	49,964
Valuation Allowance	-	-	-	(129,769)
Net deferred income tax assets		<u>\$ 369,535</u>		<u>886,419</u>
Temporary differences of deferred income tax assets(liabilities)— noncurrent:				
Recognition of impairment loss on assets: deductible	46,114	9,223	36,748	9,187
Recognition of deferred employee benefits for tax: deductible	200	40	300	75
Recognition of gain on foreign investments: taxable	(942,169)	(188,434)	-	-
Recognition of organization costs: deductible	-	-	2,000	500
Valuation Allowance	-	-	-	-
Net deferred income tax assets (liabilities)		<u>\$ (179,171)</u>		<u>9,762</u>

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- (v) The Company's tax returns through 2007 have been assessed and approved by the Tax Authority.
- (vi) According to Article 6, Section 3 of the Statute for Upgrading Industries, unused investment tax credits which may be applied to offset against income tax in the future were as follows:

<u>Year of occurrence</u>	<u>Unused investment tax credits</u>	<u>Year of expiration</u>
For the year ended December 31, 2009	\$ 192,445	2013

- (vii) Due to the increase in its investments in new equipment, the Company was granted several income tax exemptions for its manufacturing and sales of "motherboard" out of the new equipment purchased from the proceeds of capital increase. As of March 31, 2010, the five year income tax exemption periods were as follows:

<u>Description</u>	<u>Exemption</u>
Tenth capital increase used for investment in new equipment.	07/31/06 ~ 07/30/11
Eleventh capital increase used for investment in new equipment.	04/30/07 ~ 04/29/12

- (viii) Stockholders' imputation tax credit account and tax rate:

<u>Undistributed earnings:</u>	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Accumulated in 1997 and prior years	\$ -	-
Accumulated in 1998 and thereafter	3,817,485	5,887,674
Total	\$ 3,817,485	5,887,674
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Stockholders' imputation tax credit account	\$ 5,331	199,676
	<u>2009 (Expected)</u>	<u>2008 (Actual)</u>
Expected or actual deductible tax ratio	0.08%	18.31%

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j. Stockholders' Equity

(i) Capital Stock

On June 30, 2009, pursuant to the resolutions of the board of directors (acting on behalf of stockholders), the Company capitalized the earnings of \$4,014,258, divided into 401,426 common stock with par value of \$10 per share. The record date of this capital increase was October 16, 2009 and the Company had completed the process for the relevant registration thereof.

On July 2, 2007, pursuant to resolutions of the board of directors, the Company decided January 1, 2008 as the effective date for the spin-off of the OEM business from ASUSTeK Computer Inc.. In exchange for the net assets acquired and liabilities assumed from this OEM business worth \$70,000,000, the Company issued 1,600,000 new shares with par value of \$10 par share, which resulted in additional capital of \$16,000,000. Those new shares were issued at a premium of \$43.75 per share. The Company had already completed the relevant registration thereof.

In order to integrate the group's OEM business and boost productivity, on April 24, 2008, pursuant to resolutions of the board of directors, the Company proceeded the share swap with UNIHAN CORPORATION (a 100% owned entity of ASUSTek Computer Inc.) effective on May 1, 2008. The share swap ratio was 2.8613 shares of UNIHAN CORPORATION to 1 share of the Company. In accordance with the share swap arrangement, the Company issued 279,628 new shares, resulting in additional capital of \$2,796,281. Thereafter, the total outstanding capital amounted to \$18,846,281, divided into 1,884,628 shares with par value of \$10 per share. This capital increase was approved by the central government authority, and the Company had completed the process for the registration thereof.

In order to enhance own-brand business and boost productivity, the board of directors of ASUSTeK Computer Inc. (ASUSTek) resolved on December 11, 2009 but revised it on January 1, 2010, to spin-off or cede its OEM group (Pegatron Corporation (the Company)) to Pegatron International Investment Co., Ltd. (Pegatron Investment), which is being held by ASUSTeK. Pegatron Investment will issue new shares to ASUSTeK and all shareholders of ASUSTek, for which, ASUSTek and all other shareholders of ASUSTek will acquire 25% ownership and 75% ownership, respectively, of the equity of Pegatron Investment. The record date of this spin-off is June 1, 2010. Following the spin-off, the Company will merge with Pegatron Investment. As a surviving entity from this merger, the Company will

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apply for the initial public offering (IPO) to the Taiwan Stock Exchange Corporation. This merger plan has been resolved by both the board of directors of the Company and Pegatron Investment on January 1, 2010, and also resolved by both shareholders' meetings of the Company and Pegatron Investment on January 17, 2010. The record date for this merger is June 10, 2010.

(ii) Legal reserve and capital surplus

Legal reserve can only be used exclusively to offset a deficit or to increase capital. Capitalization of legal reserve is permitted only until it reaches 50% of total issued capital, and only 50% of it can be capitalized.

In accordance with the ROC Company Law, capital surplus can only be used exclusively to offset a deficit and increase capital. Capital surplus resulting from long-term equity investments cannot be used to increase capital.

As of March 31, 2010 and 2009, interest revenues generated from the trust of shareholders of parent company were distributed to the employees of the Company as bonuses. These bonuses amounted to \$194,872 and \$156,850, respectively, which were debited to salary expense and credited to capital surplus — others.

(iii) Earnings Distribution and Dividend Policy

The Company's articles of incorporation require that after-tax earnings shall first be offset against any deficit, and 10% of the balance shall be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Aside from the aforesaid legal reserve, the Company may, under its Articles of Incorporation or as required by the government, appropriate for special reserve. The remaining balance of the earnings, if any, should be distributed as follows:

1. No less than 10% as employees' bonuses which are distributable in cash or stock. In the event that the employee bonus is distributed in the form of stock, employees qualifying for such distribution may include the employees of subsidiaries of the Company who meet certain specific requirements. Such qualified employees and distribution ratio shall be decided by the Board of Directors.
2. Up to 1% as remuneration to directors and supervisors.
3. The remaining earnings, if any, may be appropriated according to a resolution of a stockholders' meeting.

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In order to bring about stability in the payment of dividends, the Company distributes dividends depending on the level of earnings of each year. The Company is facing a rapidly changing industrial environment. In consideration of the Company's long-term operating plan and funding needs, the Company adopts a stable dividends policy. Therefore, the Company distributes cash dividends of at least 10% of the aggregate of all dividends, if the distributions include cash dividends.

On March 10, 2010 and June 30, 2009(resolution on such date was amended on December 25, 2009), the Company's board of directors resolved the appropriation of earnings for 2008 and 2009. The distributions of dividends per share and employee bonuses and remuneration to directors and supervisors from the distributable earnings in 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Common stock dividends per share (dollars)		
-Cash	\$ 1.75	0.47
-Stock (at par)	-	2.13
Total	<u>\$ 1.75</u>	<u>2.60</u>
Employee bonus - cash	\$ 1,205,797	497,369
Remuneration to directors and supervisors	60,290	49,737
Total	<u>\$ 1,266,087</u>	<u>547,106</u>

There were no differences between the actual results of earnings distributed in 2009 and those estimated and accrued in the financial statements of 2009.

For the three months periods ended March 31, 2010 and 2009, the Company estimated employee bonuses and directors' and supervisors' remuneration amounted \$177,014 and \$46,170, and \$8,851 and \$4,617, respectively, and recognize them as current expenses. Differences between the amounts approved in the shareholders' meeting and recognized in the financial statements, if any, are to be accounted for as changes in accounting estimates and recognized in profit or loss.

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k. Earnings per Share (EPS)

For the three months periods ended March 31, 2010 and 2009, the primary earnings per share, diluted earnings per share and the retroactively adjusted primary and diluted earnings per share were computed as follows:

(Note: shares in thousands)

	For the Three Months Period Ended March 31,			
	2010		2009	
	Before income tax	After income tax	Before income tax	After income tax
Net income	\$ 2,585,017	1,775,316	788,588	513,001
Weighted-average common shares outstanding	2,286,054	2,286,054	1,884,628	1,884,628
Dilutive potential common shares	33,129	33,129	11,356	11,356
Diluted shares	2,319,183	2,319,183	1,895,984	1,895,984
Weighted-average common shares outstanding-retroactively adjusted			2,286,054	2,286,054
Dilutive potential common shares-retroactively adjusted			13,775	13,775
Diluted shares-retroactively adjusted			2,299,829	2,299,829
Primary earnings per share	\$ 1.13	0.78	0.42	0.27
Diluted earnings per share	\$ 1.11	0.77	0.42	0.27
Primary earnings per share-retroactively adjusted			0.34	0.22
Diluted earnings per share-retroactively adjusted			0.34	0.22

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1. Financial Instruments

(i) Fair value of financial instruments

The carrying amounts of the following non-derivative short-term financial instruments such as cash, accounts receivable, accounts payable, short-term bank loans and other payables are estimated base on their fair value as of balance sheet date.

In addition to all of the above, other financial instruments as of March 31, 2010 and 2009 were as follows:

Financial Assets	March 31, 2010		March 31, 2009	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets at fair value through income statement—				
current	\$ -	-	748,022	748,022
Financial Liabilities				
Bank loans	\$ 8,790,000	8,790,000	9,300,000	9,300,000

(ii) Methods and assumptions used by the Company to evaluate the fair value of financial instruments were as follows:

(1) The fair value of financial instruments, which are carried at fair value through profit or loss and traded in active markets, is based on quoted market prices. If the financial instruments are not traded in an active market, then the fair value is determined by using valuation techniques, under which, the estimates and assumptions used are consistent with prevailing market conditions.

(2) The fair market value of long-term debt is determined by the present value of future cash flow. As the present value derived by using interest rate in discounting future cash flow is close to the book value, the book value is adopted as the fair market value.

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(iii) Information on financial risk

(1) Market risk

The Company's purchases and sales are denominated mainly in US dollars, and in consequence, it is exposed to the current and future foreign currency risk that arises from cash flows of foreign currency assets and liabilities. However, the risks may be regarded as insignificant, because foreign currency losses from sales are subsequently offset by the foreign currency gain from purchases. In addition, the Company conducts foreign exchange activities on spot market in order to hedge its foreign exchange risks.

(2) Credit risk

The primary potential credit risk is from financial instruments like cash, equity securities, and accounts receivable. The Company deposits cash in different financial institutions. The Company manages credit risk exposure related to each financial institution and believes that there is no significant concentration of credit risk on cash and equity securities.

The Company only transacted with the approved third parties with good financial conditions and reputation. For those customers with poor financial situation, the Company obtains guarantees or transacts by L/C. Therefore, the Company believes that there is no significant credit risk. According to the Company's customer credibility evaluation policies, the Company has to evaluate the customer's credibility and evaluate the collectability of notes and account receivables constantly before doing business. Thus, there is no significant credit risk on doubtful accounts.

The major customers of the Company are concentrated in the high-tech computer industry. As the customers of the Company have good credits and profit records, the Company evaluates the financial conditions of these customers continually to reduce credit risk from accounts receivable. Moreover, the Company also periodically evaluates the customers' financial positions and the possibility of collecting trade receivables. Thus, there is no significant credit risk.

(3) Liquidity risk

The capital and working funds of the Company are sufficient to meet its entire contractual obligations; therefore, no liquidity risk exists.

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(4) Cash flow and interest rate risk

The Company's interest rate risk arises from short-term and long-term loans bearing floating interest rates. Future cash flow will be affected by a change in market interest rate.

(iv) Financial Instruments with Off-Balance-Sheet Credit Risk:

As of March 31, 2010 and 2009, guarantee and endorsements of bank loans which provided by the Company for related parties, were discussed in Note (5).

5. Related-Party Transactions

a. Names and relationships of related parties with the Company

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
ASUSTeK Computer Inc.	The parent company
ASUS HOLLAND B.V	An investee company accounted for under the equity method by the parent company
ASUS TECHNOLOGY PTE. LIMITED	//
Double Tech Ltd.	//
Askey Computer Corp.	//
ASUS TECHNOLOGY INCORPORATION	//
ASMEDIA TECHNOLOGY INC.	//
ASUS Computer (Shanghai) Co., Ltd.	//
ASUSTEK COMPUTER (SHANGHAI) CO., LTD.	//
(ASUS UNITED Technology (Shanghai) Co., Ltd. Formerly)	
SHINEWAVE INTERNATIONAL INC.	//
Enertronix, Inc.	An investee company accounted for under the equity method formerly. In July, 2009, an investee company accounted for under the equity method of the parent company after reorganization

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<u>Name of Related Party</u>	<u>Relationship with the Company</u>
ASHINE TECHNOLOGY (SUZHOU) LTD.	An investee company accounted for under the equity method by the parent company
ASKEY TECHNOLOGY (JIANG SU) LTD.	//
Powtek (Shanghai) Co., Ltd.	An investee company accounted for under the equity method of the parent company formerly. In July, 2009, an investee company accounted for under the equity method after reorganization
ASJAROCK TECHNOLOGY LIMITED	An investee company accounted for under the equity method
ASLINK (H.K.) PRECISION CO., LTD.	An investee company accounted for under the equity method
ASUSPOWER CORPORATION	//
DIGITEK GLOBAL HOLDINGS LIMITED	//
KAEDAR TRADING LTD.	An investee company accounted for under the equity method
PEGATRON Czech s.r.o (PCZ)	//
PEGATRON JAPAN Inc. (PCJ)	//
PEGATRON MEXICO, S.A. DE C.V.(PCM)	//
PEGATRON TECHNOLOGY Service Inc. (PTSI)	//
Pegatron USA, INC.	//
STRATEGY Technology Co., Ltd.	An investee company accounted for under the equity method. (In the process of liquidation in March, 2010.)
ADVANSUS CORP.	An investee company accounted for under the equity method
ASROCK Incorporation	//
Ability Enterprise Co., Ltd.	//
UNIHAN CORPORATION	//
AMA PRECISION INC.	//

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
CRYSTAL ART ENTERPRISE CO., LTD.	An investee company accounted for under the equity method
STARLINK ELECTRONICS CORPORATION	"
ASFLY TRAVEL SERVICE LIMITED	"
AzureWave Technologies, Inc.	An investee company accounted for under the equity method by Unihan Corporation
ASLINK PRECISION CO., LTD.	An investee company accounted for under the equity method
Protek (Shanghai) Limited	"
NORTH TEC ASIA (SHANGHAI) LIMITED	An investee company accounted for under the equity method (The investee was merged with Protek (Shanghai) Limited in November 2009 and Protek (Shanghai) Limited is the surviving entity)
SHANGHAI INDEED TECHNOLOGY CO., LTD.	An investee company accounted for under the equity method
KAEDAR ELECTRONICS (KUNSHAN) CO., LTD.	"
HONG HUA TECHNOLOGY (SUZHOU) CO., LTD.	"
GHING HONG PRECISE MOULD INDUSTRY (SUZHOU) CO., LTD.	"
MAINTEK COMPUTER (SUZHOU) CO., LTD.	"
BOARDTEK COMPUTER (SUZHOU) CO., LTD.	"
CASETEK COMPUTER (SUZHOU) CO., LTD.	"
AVY PRECISION ELECTROPLATING (SUZHOU) CO., LTD.	"
CORE-TEK (SHANGHAI) LIMITED	"

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<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Pegavision Corporation	An investee company accounted for under the equity method by Kinsus Interconnect Technology Corp.
BOARDTEK (HK) TRADING LIMITED	An investee company accounted for under the equity method
ASAP INTERNATIONAL CO., LIMITED	//
RUNTOP(SHANGHAI) CO. LTD	//

b. Significant Transactions with Related Parties

(i) Sales

<u>Name of Related Party</u>	<u>For the Three Months Period Ended March 31,</u>					
	<u>2010</u>			<u>2009</u>		
	<u>Amount</u>	<u>% of Net Sales</u>	<u>The collection term</u>	<u>Amount</u>	<u>% of Net Sales</u>	<u>The collection term</u>
ASUSTeK	\$ 55,611,750	65.93%	Open account 60 days	33,248,734	51.76%	Open account 60 days
Powtek (Shanghai)	1,347,031	1.60%	45 days from receipt of goods	939,540	1.46%	45 days from receipt of goods
PCZ	1,839,311	2.18%	120 days from receipt of goods	549,913	0.86%	120 days from receipt of goods
Others	491,161	0.58%	30~90 days from receipt of goods Open account 30~90 days	388,738	0.60%	30~90 days from receipt of goods Open account 30~90 days
Total	<u>\$ 59,289,253</u>	<u>70.29%</u>		<u>35,126,925</u>	<u>54.68%</u>	

The collection term of third-party customer is L/C, T/T or 7 to 120 days from receipt of goods.

For the three months periods ended March 31, 2010 and 2009, the Company adjusted the double recording of sales to and purchases from related parties, which amounted to \$52,205,510 and \$10,925,861, respectively.

As of March 31, 2010 and 2009, unrealized gross profits from sales to related parties were \$57,450 and \$14,983, respectively.

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NOTES TO FINANCIAL STATEMENTS (CONT'D)

(ii) Purchases

Name of Related Party	2010			2009		
	Amount	% of Gross Purchases	Purchase term	Amount	% of Gross Purchases	Purchase term
ASUSTeK	\$ 40,072,714	51.78%	Open account 60 days	22,698,939	41.79%	Open account 60 days
Protek (Shanghai)	7,628,771	9.86%	90 days from receipt of goods	5,806,366	10.69%	90 days from receipt of goods
Others	2,100,334	2.71%	30~90 days from receipt of goods Open account 30~120 days	2,560,128	4.71%	30~90 days from receipt of goods Open account 30~120 days
Total	<u>\$ 49,801,819</u>	<u>64.35%</u>		<u>31,065,433</u>	<u>57.19%</u>	

The purchase term of third-party customer is 90 days from receipt of goods or open account 30~90 days.

For the three months periods ended March 31, 2010 and 2009, the Company purchased raw materials from vendors through ASUSTek.

(iii) Others

	For the Three Months Period Ended March 31,	
	2010	2009
(1) After-sales warranty repair expense paid to:		
ASUS Computer (Shanghai)	\$ 36,278	36,944
PTSI	60,194	83,714
PCZ	11,188	12,998
Others	33,117	12,011
Total	<u>\$ 140,777</u>	<u>145,667</u>
(2) Processing fee paid to:		
PCM	\$ 104,719	90,681
ASUSPOWER	1,181,024	2,692,207
DIGITEK	-	416,874
Total	<u>\$ 1,285,743</u>	<u>3,199,762</u>

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	For the Three Months Period Ended	
	March 31,	
	2010	2009
(3) Other income from:		
ASUSTeK	\$ 177,617	82,019
UNIHAN	6,897	9,426
PCJ	19,825	-
Others	21,008	4,202
Total	<u>\$ 225,347</u>	<u>95,647</u>

4) For the three months period ended March 31, 2010 and 2009, the Company incurred other related party transactions recorded as expenses such as rental expense, other expense, royalty payment, storage expense, professional service fee, etc, amounting to \$19,470 and \$35,904, respectively.

(5) For the three months periods ended March 31, 2010 and 2009, the Company incurred other related party transactions recorded as rental revenue, amounting to \$19,470 and \$35,904, respectively.

(iv) Accounts receivable (payable)

	March 31, 2010		March 31, 2009	
	Amount	%	Amount	%
<u>Notes and Accounts Receivable:</u>				
Prottek (Shanghai)	\$ 50,167,658	65.90%	15,349,592	37.42%
ASUSTeK	9,000,800	11.82%	6,091,147	14.85%
PCZ	2,940,056	3.86%	1,073,411	2.62%
Powtek (Shanghai)	1,006,909	1.32%	462,929	1.13%
Others	533,141	0.71%	625,718	1.52%
Total	<u>\$ 63,648,564</u>	<u>83.61%</u>	<u>23,602,797</u>	<u>57.54%</u>
<u>Other Receivables:</u>				
ASUSTeK	\$ 566,306	14.65%	696,595	39.74%
PCZ	636,000	16.45%	-	-
Prottek (Shanghai)	7,740	0.20%	235,073	13.41%
Others	15,251	0.40%	3,364	0.19%
Total	<u>\$ 1,225,297</u>	<u>31.70%</u>	<u>935,032</u>	<u>53.34%</u>

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	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Notes and Accounts Payable:</u>				
Protek (Shanghai)	\$ 46,420,583	70.28%	15,542,884	42.18%
Casetek (Suzhou)	726,341	1.10%	683,101	1.85%
Shanghai Indeed	662,924	1.00%	501,423	1.36%
Others	707,080	1.07%	1,842,450	5.00%
Total	<u>48,516,928</u>	<u>73.45%</u>	<u>18,569,858</u>	<u>50.39%</u>

Accrued Expenses:

ASUSPOWER	\$ 10,959,574	70.66%	14,947,810	73.33%
Protek (Shanghai)	558,168	3.60%	467,958	2.30%
Others	503,626	3.25%	684,568	3.35%
Total	<u>\$ 12,021,368</u>	<u>77.51%</u>	<u>16,100,336</u>	<u>78.98%</u>

Other related party transactions accounted for as other assets or liabilities in balance sheets were as follows:

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
<u>Assets:</u>		
Prepayments	\$ 20,631	-
Temporary payments	5,767	6,079
	<u>\$ 26,398</u>	<u>6,079</u>

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
<u>Liabilities:</u>		
Unearned sales revenue	\$ 11,232	6,165
Temporary receipts	15,772	-
	<u>\$ 27,004</u>	<u>6,165</u>

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(v) Endorsement Guarantee

As of March 31, 2010 and 2009, the Company provided endorsement guarantee for bank loans obtained by a related party as follows:

<u>Name of Related Party Guaranteed</u>	<u>Amount of Guarantee (thousands)</u>	
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
ASUSPOWER	<u>USD 30,000</u>	<u>USD 50,000</u>

As of March 31, 2010 and 2009, the endorsement guarantees provided by the related party for the Company's purchases were as follows:

<u>Name of Related Party Guarantor</u>	<u>Amount of Guarantee (thousands)</u>	
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
ASUSTeK	<u>USD 300,000</u>	<u>USD 300,000</u>

(vi) Financing

As of March 31, 2010 and 2009, financing provided by the Company for the related party was as follows:

	<u>March 31, 2010</u>	
	<u>Ending Balance</u>	<u>The Highest Balance</u>
PCZ	<u>\$ 636,000</u>	<u>643,300</u>

The loan to PCZ bears annual interest of 1%.

6. Pledged Assets

As of March 31, 2010 and 2009, pledged assets were as follows:

<u>Asset</u>	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Purpose of pledge</u>
Restricted deposit	\$ 101,887	121,597	Deposits for customs duties.
Refundable deposits	198,324	349,321	Deposits for performance guarantee
	<u>\$ 300,211</u>	<u>470,918</u>	

7. Significant Commitments And Contingencies (Excluding Related-Party Transactions)

(a) As of March 31, 2010, the Company had unused letters of credit of EUR 235 thousand and NTD 15,000 thousand.

(b) As of March 31, 2010, the Company had Promissory notes and certificate of deposit obtained for business purpose of \$13,884.

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- (c) Future lease commitments from the lease of buildings under the operating lease agreements were as follows:

Year	Rent expense	Future lease commitments			
		2011	2012	2013	2014
2010	\$ 17,680	47,815	39,772	39,776	3,732

8. Significant Catastrophic Losses: None.

9. Significant Subsequent Events: None.

10. Others

- a. Personnel, depreciation, and amortization expense incurred, categorized as operating cost or expense, were as follows:

Categorized as Nature	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Personnel expense						
Salary expense	193,091	937,110	1,130,201	204,761	721,567	926,328
Health and labor insurance expense	11,842	49,998	61,840	14,059	45,607	59,666
Pension expense	7,673	28,661	36,334	9,093	30,308	39,401
Other expense	9,641	33,196	42,837	9,078	24,426	33,504
Depreciation expense	13,378	47,926	61,304	23,523	53,631	77,154
Amortization expense	112,315	55,321	167,636	71,275	55,623	126,898

Note A: For the three months periods ended March 31, 2010 and 2009, the Company recognized depreciation expense (accounted for as non-operating expense), excluding those of rental assets and idle-assets, of \$5,301 and \$4,726, respectively.

- b. Certain accounts in the financial statements as of and for the three months period ended March 31, 2009, were reclassified to conform to the presentation adopted in the financial statements as of and for the three months period ended March 31, 2010.

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11. ADDITIONAL DISCLOSURES

(1) Information on significant transactions

No.	Item	Table
1	Financings provided	Table 1
2	Endorsements/guarantees provided	Table 2
3	Marketable securities held	Table 3
4	Marketable securities acquired or disposed of at costs or prices of at least NT\$100 million or 20% of the paid-in capital	Table 4
5	Acquisition of individual real estate at costs of at least NT\$100 million or 20% of the paid-in capital	None
6	Disposal of individual real estate at prices of at least NT\$100 million or 20% of the paid-in capital	None
7	Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital	Table 5
8	Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital	Table 6
9	Transactions involving financial derivatives	None

(2) Information on investee companies

No.	Item	Table
1	Being invested directly or indirectly, significant influence or control, names and addresses of, and relevant information on, investee companies	Table 7
2	Investee companies with control	
(1)	Financings provided	Table 8
(2)	Endorsements/guarantees provided	Table 9
(3)	Marketable securities held	Table 10
(4)	Marketable securities acquired or disposed of at costs or prices of at least NT\$100 million or 20% of the paid-in capital	Table 11
(5)	Acquisition of individual real estate at costs of at least NT\$100 million or 20% of the paid-in capital	None
(6)	Disposal of individual real estate at prices of at least NT\$100 million or 20% of the paid-in capital	None
(7)	Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital	Table 12
(8)	Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital	Table 13
(9)	Transactions involving financial derivatives	Table 14

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(3) Investments in Mainland China

1. Name of the investees in Mainland China, main businesses and products, paid-in capital, method of investment, information on inflow or outflow of capital, percentage of ownership, investment income or loss, ending balance of investment, dividends remitted by the investee, and the limit of investment in Mainland China: Please refer to Table 15.
2. Significant direct or indirect transactions with the investees, prices and terms of payment, unrealized gain or loss and other help to understand the impact of investment on the Mainland China on the financial statements of the relevant information: Please refer to Note (5).

12. SEGMENT INFORMATION

Disclosure of segmental information is not required for interim financial statements as explained in paragraph 25 of SFAS No. 23. However, disclosure of segment revenues and profit or loss is required if there are significant changes in the percentages of segment revenues to total revenues.

Table 1 (Loans to others)
three months ended March 31, 2010

(Expressed in thousands of NT dollars/in dollars/in dollars of other foreign currency)

No. (Note 1)	Lender	Borrower	Account	Highest amount	Mar 31, 2010	Interest rate	Type of financing (Note 2)	Amount of commercial dealings	Financing purpose	Allowance for bad debt amount	Pledges		Maximum amount of loan limit to individual (Note 3)	Maximum aggregated amount of loan limit to others (Note 4)
											Item	Value		
0	The Company	PEGATRON Czech s.r.o	other receivables	643,300 USD 20,000,000	636,000 USD 20,000,000	1.00%	(2)	-	fund financing	-	-	13,973,222	27,946,444	

(Note 1) Number 0 represents the Company.

(Note 2) Reasons for financing are as follows:

(1) Business relationship.

(2) For short-term financing.

(Note 3) The maximum amount for loan to individual should be the lower of 15% of the Company's net assets of most current audited financial statements; the maximum total amount for loan should be the lower of 30% of the Company's net assets of most current audited financial statements.

(Note 4) Transactions denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date.

(The spot rate of USD was 31.8 on 31 March, 2010, EUR/NTD 42.72, JPY/NTD 0.3410, CNY/NTD 4.6585.)

Table 2 (Endorsement guarantees to others)

(Expressed in thousands of NT dollars/in. dollars of other foreign currency)

No. (Note 1)	Guarantor	Guaranteed party		Limit on guarantees provided to a single business	Maximum balance of endorsements / guarantees of the period	Ending balance of endorsements / guarantees (Note 4)	Collateral	Cumulative guarantee as percentage of net worth per the most recent financial statements	Maximum amount of endorsements / guarantees (Note 3)
		Name of the company	Relationship with the Company (Note 2)						
0	The Company	ASUSPOWER CORPORATION	(2)	18,630,962	964,950 (USD 30,000,000)	954,000 (USD 30,000,000)	-	1.03%	46,577,406

(Note 1) Number 0 represents the Company.

(Note 2) Directly owned subsidiary's shares exceeding 50%.

(Note 3) The maximum amount of endorsement limit to a single entity should be the lower of 20% of the Company's net worth of most current audited financial statements; the maximum amount of endorsement should be the lower of 50% of the Company's net worth of most current audited financial statements.

(Note 4) Transactions denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date.

(The spot rate of USD was 31.8 on 31 March, 2010, EUR/NTD 42.72, JPY/NTD 0.3410, CNY/NTD 4.6585.)

Table 3: Marketable securities held on March 31, 2010
(Three months ended March 31, 2010)

(Expressed in thousands of NT dollars/in dollars of other foreign currency)

Holding Company	Types and Names of Securities	Relationship with the Issuer of Securities	Account in Books	End of the Period				Note
				Shares	Book Value	Shareholding Ratio	Market Value	
The Company	UNIHAN CORPORATION common stock	An investee company accounted for under the equity method.	Long-term investment under equity method	840,105,000	12,930,404	100.00%	12,930,404	
"	ASUSPOWER INVESTMENT CO.,LTD. common stock	"	"	841,900,000	14,514,885	100.00%	14,514,885	
"	ASUS INVESTMENT CO.,LTD. common stock	"	"	908,600,000	15,733,003	100.00%	15,733,003	
"	ASUSTEK INVESTMENT CO.,LTD. common stock	"	"	872,700,000	14,676,559	100.00%	14,676,559	
"	ADVANSUS CORP. common stock	"	"	18,000,000	232,283	50.00%	232,283	
"	Pegatron Holding Ltd. common stock	"	"	661,406,463	28,235,315	100.00%	28,235,315	
"	PEGATRON USA, INC. common stock	"	"	50,000	18,078	100.00%	18,078	
"	ASUS HOLLAND HOLDING B. V.	"	"	-	1,359,719	92.45%	1,359,719	

(Note)The market value is not available. Therefore, the net equity per share calculated from the unaudited financial statements as of March 31, 2010 was used.

Table 4: Cumulative purchases or sales of the same marketable securities exceeding \$100,000 or 20% of paid-in capital (Three months ended March 31, 2010)

Holding Company	Marketable Securities		Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal		Ending Balance	
	Type	Name				Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Gain (Loss) on Disposal	Shares/Units (in Thousands)
The Company	Fund	Cathay Bond Fund	Financial assets reported at fair value through profit or loss	-	-	-	-	86,982,131	1,040,000 (Note 1)	1,040,285	86,982,131	-	-
"	Fund	ING Taiwan Bond Fund	"	-	-	-	-	25,642,259 (Note 1)	400,000 (Note 2)	400,155	25,642,259	155	-
"	Fund	JF (Taiwan) Bond	"	-	-	-	-	19,003,058 (Note 1)	300,000 (Note 2)	300,091	19,003,058	91	-
"	Fund	FUBON CHL-HSIANG Fund	"	-	-	-	-	39,983,829 (Note 1)	600,000 (Note 2)	600,261	39,983,829	261	-

(Note 1) The additional investment for the three months period ended March 31, 2010.

(Note 2) Disposal of investment for the three months period ended March 31, 2010.

Table 5: Total purchases from or sales to related parties exceeding \$100,000 or 20% of paid-in capital (Three months ended March 31, 2010)

Company Name	Related Party	Nature of Relationship	Transaction Detail			Non-arm's Length Transaction			Notes/Accounts Payable or Receivable		Note
			Purchases/Sales	Amount	% to Total	Payment Term	Unit Price	Payment Term	Ending Balance	% to Total	
The company	ASUSTeK Computer Inc.	The parent company.	Sales	(55,611,750)	(65.93%)	Open account 60 days	-	-	9,000,800	11.82%	(Note 1)
"	"	"	Purchases	40,072,714	51.78%	"	-	-	-	-	-
"	Powtek (Shanghai) Co., Ltd.	An investee company accounted for under the equity method.	Sales	(1,347,031)	(1.60%)	45 days from receipt of goods	-	-	1,006,909	1.32%	
"	ASIAROCK TECHNOLOGY LIMITED	"	"	(263,781)	(0.31%)	30 days from receipt of goods	-	-	289,465	0.38%	
"	PEGATRON Czech s. r. o.	"	"	(1,839,311)	(2.18%)	120 days from receipt of goods	-	-	2,940,056	3.86%	
"	UNIHAN CORPORATION	"	"	(110,766)	(0.13%)	60 days from receipt of goods	-	-	112,121	0.15%	
"	BOARDTEK COMPUTER (SUZHOU) CO., LTD	"	Purchases	249,032	0.32%	Open account 90 days	-	-	(251,268.00)	(0.38%)	
"	Prottek (Shanghai) Limited	"	"	7,628,771	9.86%	"	-	-	#####	(70.28%)	
"	Azure Wave Technologies, Inc.	"	"	317,295	0.41%	Open account 90 days	-	-	(153,949.00)	(0.23%)	
"	CASETEK COMPUTER (SUZHOU) CO.,LTD	"	"	557,067	0.72%	"	-	-	(726,341.00)	(1.10%)	
"	SHANGHAI INDEED TECHNOLOGY CO., LTD.	"	"	661,986	0.86%	90 days from receipt of goods	-	-	(662,924.00)	(1.00%)	

(Note 1) The purchases/sales amount of the Company for the three months period ended 31 March, 2010 includes the purchase amount of materials through ASUSTeK Computer Inc. bought from supplier.

Table 6: Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Three months ended March 31, 2010)

(Expressed in thousands of NT dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Year	Allowance for Bad Debt
					Amount	Action Taken		
The Company	ASUSTeK Computer Inc.	The parent company.	9,000,800	20.84	-	-	3,450	-
"	PEGATRON Czech s.r.o.	An investee company accounted for under the equity method.	2,940,056	2.62	258,917	-	401,030	-
"	Protek (ShangHai) Limited	"	50,167,658	4.11 (Note)	480,801	-	7,983,836	-
"	UNIHAN CORPORATION	"	112,121	4.45	25,143	-	-	-
"	ASIAROCK TECHNOLOGY LIMITED	"	289,465	3.32	20,018	-	6,086	-
"	Powtek (Shanghai) Co., Ltd.	"	1,006,909	5.19	61,781	-	153,090	-

(Note) To avoid the business tax being double counting, the Company has eliminated the double counting purchases/sales 52,205,510 thousands.

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Table 7: Names, locations, and related information of investees over which the Company exercises significant influence (Three months ended March 31, 2010)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2010		Ownership	Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				As of Mar. 31, 2010	As of Dec. 31, 2009	Shares	Carrying Amount				
UNIHAN CORPORATION	UNIHAN CORPORATION	Taipei City	Designing, manufacturing, maintaining and selling computer peripherals and auto-video products.	12,098,279	12,098,279	840,105,000	12,930,404	100.00%	(361,532)	(661,532)	
"	ASUSPOWER INVESTMENT CO., LTD.	Taipei City	Investing activities.	13,033,429	13,033,429	841,900,000	14,514,885	100.00%	154,280	154,280	
"	ASUS INVESTMENT CO., LTD.	Taipei City	Investing activities.	16,184,982	16,184,982	908,600,000	15,733,003	100.00%	255,886	255,886	
"	ASUSTEK INVESTMENT CO., LTD.	Taipei City	Investing activities.	14,595,543	14,595,543	872,700,000	14,676,559	100.00%	106,039	106,039	
"	ADVANSIS CORP.	Taipei City	Manufacturing computer peripherals	166,364	166,364	18,000,000	232,283	50.00%	23,769	11,884	
"	Pegatron Holding Ltd.	Cayman	Investing activities.	24,320,960	24,320,960	661,406,463	28,235,315	100.00%	(939,139)	(939,139)	
"	PEGATRON USA, INC.	CA, USA	Sales and repair service center in North America	16,085	16,085	50,000	18,078	100.00%	549	549	
"	ASUS HOLLAND HOLDING B.V.	Emmen, NETHERLANDS	Investing activities.	1,153,501	1,153,501	-	1,359,719	92.45%	191,959	328,388	
UNIHAN CORPORATION	AMA PRECISION INC.	Taipei City	Designing and developing computer parts	408,394	408,394	52,000,000	347,670	100.00%	(13,873)	Does not fill out	
"	Ability Enterprise Co., Ltd.	Taipei City	Selling computer peripherals, office automation equipment, digital cameras, retailing and wholesaling, of food products leasing	2,669,779	2,669,779	55,236,195	2,336,208	12.63%	573,674	Does not fill out	
"	AzureWave Technologies, Inc.	Sindian City	Manufacturing office machinery, electronic parts and computer peripherals and selling precision equipment, and digital cameras.	525,750	525,750	32,500,000	620,959	36.00%	116,939	Does not fill out	
"	Unihan Holding Ltd.	Cayman	Investing activities.	7,090,644	7,090,644	211,600,026	8,014,935	100.00%	(109,865)	Does not fill out	
ASUSPOWER INVESTMENT CO., LTD.	STARLINK ELECTRONICS CORPORATION	Taipei county	Manufacturing electronic parts and plastic products, and manufacturing and wholesaling electronic components	209,154	209,154	35,770,796	148,813	51.84%	(151)	Does not fill out	
"	KINSUS INTERCONNECT TECHNOLOGY CORP.	Taoyuan County	Manufacturing electronic parts, wholesaling and retailing electronic components, and providing business management consultant service	727,473	727,473	55,556,221	2,397,070	12.46%	449,448	Does not fill out	
"	ASROCK Incorporation	Taipei City	Data storage and processing equipment, manufacturing wired and wireless communication equipment, and whole selling of computer equipment and electronic components	82,626	82,626	2,791,000	160,350	2.43%	330,302	Does not fill out	
"	Ability Enterprise Co., Ltd.	Taipei City	Selling computer peripherals, office automation equipment, digital cameras, retailing and wholesaling, of food products leasing	582	582	10,828	246	0.00%	573,674	Does not fill out	
"	Lumens Digital Optics Inc.	Hsinchu County	Researching, manufacturing and selling computer data projectors and related peripherals	464,318	464,318	10,256,232	713,269	51.28%	94,751	Does not fill out	
"	PEGAVISION CORPORATION	Taoyuan County	Manufacturing medical appliances	100,000	100,000	10,000,000	93,149	27.78%	(10,567)	Does not fill out	
"	ASUSPOWER CORPORATION	British Virgin Islands	Investing and trading activities	3,752,682	3,752,682	109,000,000	8,753,310	31.23%	37,564	Does not fill out	
"	PEGATRON TECHNOLOGY SERVICE INC.	Kennedy, USA	Sales and repair service center in North America	94,475	94,475	2,800	135,743	100.00%	6,749	Does not fill out	
"	WISE INVESTMENT LIMITED	Taipei City	Investing activities.	48,780	48,780	-	37,035	48.78%	(184)	Does not fill out	
"	PEGA INTERNATIONAL LIMITED	Taipei City	Design service and sales	1,885	1,885	-	6,355	100.00%	(8)	Does not fill out	
"	PEGATRON JAPAN INC.	Chiba-ken Japan	Sales and repair service center in Japan	27,287	27,287	-	68,834	100.00%	11,482	Does not fill out	
"	PEGATRON MEXICO, S.A. DE C.V.	Chihuahua, Mexico	Sales and repair service center in Mexico	362,004	362,004	-	359,652	40.51%	(10,299)	Does not fill out	
ASUS INVESTMENT CO., LTD.	STARLINK ELECTRONICS CORPORATION	Taipei county	Manufacturing electronic parts and plastic products, and manufacturing and wholesaling electronic components	216,704	216,704	21,670,380	90,166	31.41%	(151)	Does not fill out	
"	KINSUS INTERCONNECT TECHNOLOGY CORP.	Taoyuan County	Manufacturing electronic parts, wholesaling and retailing electronic components, and providing business management consultant service	938,098	938,098	60,128,417	2,593,299	13.48%	449,448	Does not fill out	

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				As of Mar. 31, 2010	As of December 31, 2009	Shares	2009					
"	ASROCK Incorporation	Taipei county	Data storage and processing equipment, manufacturing wired and wireless communication equipment, and whole selling of computer equipment and electronic components	155,718	155,718	57,217,754	49.74%	3,287,312	330,302		Does not fill out	
"	Lumens Digital Optics, Inc.	Hsinchu County	Researching, manufacturing and selling computer data projectors and related peripherals	6,350	6,350	617,974	3.09%	42,978	94,751		Does not fill out	
"	ASUSPOWER CORPORATION	British Virgin Islands	Investing and trading activities	3,488,741	3,488,741	105,000,000	29.51%	8,271,219	37,564		Does not fill out	
"	ASFLY TRAVEL SERVICE LIMITED	Taipei City	Travel agency	6,000	6,000	-	100.00%	17,807	(1,102)		Does not fill out	
"	HUA-YUAN INVESTMENT LIMITED	Taipei City	Investing activities	500,000	500,000	-	100.00%	603,913	9,467		Does not fill out	
"	ASUS HOLLAND HOLDING B.V.	EMMEN, NETHERLANDS	Investing activities	77,824	77,824	-	7.55%	111,043	191,959		Does not fill out	
"	PEGATRON MEXICO, S.A. DE C.V.	CHIHUAHUA, Mexico	Sales and repair service center in Mexico	561,698	561,698	-	59.49%	528,128	(10,290)		Does not fill out	
"	ASUSTEK INVESTMENT CO.,L. STARLINK ELECTRONICS CORPORATION	Taipei county	Manufacturing electronic parts and plastic products, and manufacturing and wholesaling electronic components	115,588	115,588	11,538,824	16.75%	48,083	(151)		Does not fill out	
"	KINSUS INTERCONNECT TECHNOLOGY CORP.	Taoyuan County	Manufacturing electronic parts, wholesaling and retailing electronic components, and providing business management consultant service	794,252	794,252	58,233,091	13.06%	2,512,499	449,448		Does not fill out	
"	ASROCK Incorporation	Taipei county	Data storage and processing equipment, manufacturing wired and wireless communication equipment, and whole selling of computer equipment and electronic components	223,939	223,939	7,453,405	6.48%	428,218	330,302		Does not fill out	
"	Lumens Digital Optics, Inc.	Hsinchu County	Researching, manufacturing and selling computer data projectors and related peripherals	4,428	4,428	430,974	2.15%	29,973	94,751		Does not fill out	
"	AzureWave Technologies, Inc.	Sudian City	Manufacturing office machinery, electronic parts and computer peripherals and selling precision equipment, and digital cameras	110,340	110,340	6,820,846	7.56%	130,402	116,939		Does not fill out	
"	ASUSPOWER CORPORATION	British Virgin Islands	Investing and trading activities	4,652,885	4,652,885	137,000,000	39.26%	11,004,000	37,564		Does not fill out	
"	ASUS HOLLAND HOLDING B.V. PEGATRON Czech s.r.o.	Czech Republic	Installing, repairing and selling electronic products	EUR 29,258,067	EUR 29,258,067	-	100.00%	EUR 34,411,073	EUR 4,322,702		Does not fill out	
"	AMA PRECISION INC.	Belize, Central America	Trading computer peripherals	32,838	32,838	300,000	100.00%	-	1,101		Does not fill out	
"	AMA Holdings Limited	Samoa Islands	Investing activities	169,744	169,744	5,131,948	100.00%	58,126	1,392		Does not fill out	
"	METAL TRADINGS LTD.	Samoa Islands	Trading activities	USD 2,107,000	USD 2,107,000	2,107,000	100.00%	USD 2,528,265	USD 1,079		Does not fill out	
"	EXTECH LTD.	Samoa Islands	Trading electronic parts	USD 1,908,000	USD 1,908,000	1,908,000	90.51%	USD 1,336,613	USD 19,638		Does not fill out	
"	Toptek Precision Industry(Suzhou) Co., Ltd	SUZHOU China	Manufacturing and selling new electronic parts and premium hardware	USD 1,108,548	USD 1,108,548	-	100.00%	-	USD 24,783		Does not fill out	
"	FENGSHUO TRADING (TONGZHOU) CO. LTD	TONGZHOU China	Trading activities	USD 2,100,000	USD 2,100,000	-	100.00%	USD 2,525,655	USD 1,079		Does not fill out	
"	GRANDTECH PRECISION (TONGZHOU) CO. LTD	TONGZHOU China	Manufacturing, developing and selling electronic parts	USD 2,100,000	USD 2,100,000	-	100.00%	USD 1,473,878	USD 19,638		Does not fill out	
"	KINSUS INTERCONNECT TECH KINSUS INVESTMENT CO.,LTD KINSUS CORP. (USA)	Taiyuan County CA, USA	Investing activities Developing and designing new technology and products; analyzing marketing strategy and developing new customers	500,000 USD 500,000	500,000 USD 500,000	50,000,000 500,000	100.00% 100.00%	486,351 20,518	(5,666) 459		Does not fill out Does not fill out	
"	KINSUS HOLDING (SAMOA) LIMITED	Samoa Islands	Investing activities	USD 50,000,000	USD 50,000,000	50,000,000	100.00%	1,640,700	(2,953)		Does not fill out	
"	KINSUS INVESTMENT CO.,LT PEGAVISION CORPORATION	Taiyuan County	Manufacturing medical appliances	204,000	204,000	20,400,000	56.67%	190,024	(10,567)		Does not fill out	
"	KINSUS HOLDING (SAMOA) LI KINSUS HOLDING (CAYMAN) LIMITED	Cayman	Investing activities	USD 50,000,000	USD 50,000,000	50,000,000	100.00%	USD 51,654,000	(USD 94,000)		Does not fill out	
"	KINSUS HOLDING (CAYMAN) KINSUS INTERCONNECT TECHNOLOGY (SUZHOU) CORP.	SUZHOU China	Manufacturing and selling circuit boards	USD 50,000,000	USD 50,000,000	-	100.00%	USD 51,654,000	(USD 94,000)		Does not fill out	
"	ASROCK Incorporation	British Virgin Islands	Manufacturing and selling database storage and processing equipments	1,320,886	1,320,886	40,000,000	100.00%	2,754,092	96,240		Does not fill out	
"	Leader Insight Holdings Ltd.	British Virgin Islands	Investing activities	71,559	71,559	2,100,000	100.00%	39,458	64,232		Does not fill out	
"	ASIAROCK TECHNOLOGY, LIN ASROCK EUROPE B.V.	Nijmegen, NETHERLANDS	Database service and trading electronic components	USD 194,000	USD 194,000	200,000	100.00%	USD 5,958,248	USD 225,420		Does not fill out	

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				As of Mar 31, 2010	As of December 31, 2009	Shares	Percentage of Carrying Amount Ownership			
"	ColRock Holdings, LLC.	CA, USA	Office building/leasing	USD 2,000,000	USD 2,000,000	2,000,000	100.00%	USD 5,651	Does not fill out	
Leader Insight Holdings Ltd.	Finsplace International Ltd.	British Virgin Islands	Investing activities	USD 2,050,000	USD 2,050,000	2,050,000	100.00%	USD 65,254	Does not fill out	
Finsplace International Ltd.	ASRock America, Inc.	CA, USA	Database service and trading electronic components	USD 2,000,000	USD 2,000,000	2,000,000	100.00%	USD 66,860	Does not fill out	
Lumens Digital Optics Inc.	Lumens Integration Inc.	CA, USA	Selling computer communication products and peripherals	30,330	30,330	1,222,000	100.00%	3,841	Does not fill out	
"	Lumens Digit Image Inc.	Samoa Islands	Investing activities	USD 250,000	USD 250,000	250,000	100.00%	1,603	Does not fill out	
"	Lumens Europe BVBA	Belgium	Selling computer communication products and peripherals	EUR 150,000	EUR 150,000	20	100.00%	(1,824)	Does not fill out	
"	Lumens International Corporation	Hainan, China	Trading and manufacturing electronic parts	940	940	94,000	94.00%	0	Does not fill out	
Lumens Digit Image Inc.	Lumens (Suzhou) Digital Image Inc.	SUZHOU China	Researching, manufacturing and selling projections, projection screens and related products, and providing after-sales service	USD 250,000	USD 250,000	250,000	100.00%	USD 50,273	Does not fill out	
Unihan Holding Ltd.	CASETEK HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 197,291,682	USD 197,291,682	138,099,685	100.00%	(USD 3,448,915)	Does not fill out	
CASETEK HOLDINGS LIMITED	CASETEK COMPUTER (SUZHOU) CO.,LTD	SUZHOU China	Manufacturing, developing and selling computers, computer parts, application systems, and providing after-sales service	USD 56,000,000	USD 56,000,000	19,600,000	49.00%	USD 1,766,610	Does not fill out	
"	WILSON HOLDINGS LIMITED	Samoa Islands	Investing and trading activities	USD 4,000,000	USD 4,000,000	4,000,000	49.00%	USD 1,697,457	Does not fill out	
"	INDEED HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 19,600,000	USD 19,600,000	19,600,000	49.00%	USD 1,697,457	Does not fill out	
"	SUITEK HOLDINGS LIMITED	Samoa Islands	Investing and trading activities	USD 1,210,000	USD 1,210,000	1,210,000	100.00%	USD 98,604	Does not fill out	
"	KAEDAR HOLDINGS LIMITED	Hong Kong	Investing and trading activities	USD 25,000,000	USD 25,000,000	25,000,000	100.00%	USD 759,873	Does not fill out	
"	KAEDAR TRADING LTD.	Samoa Islands	Investing and trading activities	USD 5,000,000	USD 5,000,000	5,000,000	100.00%	USD 419,920	Does not fill out	
"	CORE-TEK (SHANGHAI) LIMITED	Shanghai, China	Researching and producing the parts of notebooks, designing nonmetal tooling, electronic specific equipment and related products, repairing and producing precision equipment and providing after-sales service	USD 12,000,000	USD 12,000,000	12,045,600	100.00%	USD 463,261	Does not fill out	
"	WILSON HOLDINGS LIMITED	Cayman	Investing and trading activities	USD 17,396,100	USD 17,396,100	17,396,100	51.00%	USD 640,212	Does not fill out	
"	GHING HONG PRECISE MOULD INDUSTRY (SUZHOU) CO., LTD	SUZHOU China	Manufacturing and selling mold and hardware components	USD 3,500,000	USD 3,500,000	3,500,000	100.00%	USD 54,620	Does not fill out	
"	HONG HUA TECHNOLOGY (SUZHOU) CO., LTD	SUZHOU China	Manufacturing and selling mold, hardware components, electronic instruments and magnet components of hard drives	USD 4,000,000	USD 4,000,000	4,000,000	100.00%	USD 129,098	Does not fill out	
"	CRYSTAL ART ENTERPRISE CO., LTD.	Samoa Islands	Investing activities	USD 200,000	USD 200,000	200,000	100.00%	USD 7,838	Does not fill out	
"	SHANGHAI INDEED TECHNOLOGY CO., LTD.	Shanghai, China	Manufacturing metal and plastic components of electronic products	USD 30,000,000	USD 30,000,000	30,000,000	100.00%	USD 1,708,377	Does not fill out	
"	SUITEK HOLDINGS LIMITED	SUZHOU China	Steel cutting and assembling industry	USD 1,200,000	USD 1,200,000	1,200,000	20.00%	USD 493,019	Does not fill out	
"	KAEDAR HOLDINGS LIMITED	KUNSHAN China	Tooling module of stainless steel computer cases	USD 24,506,998	USD 24,506,998	24,506,998	100.00%	USD 759,421	Does not fill out	
"	UNITED NEW LIMITED	Samoa Islands	Investing and trading activities	USD 34,110,000	USD 34,110,000	34,110,000	100.00%	USD 83,930	Does not fill out	
"	AVY PRECISION ELECTROPLATING (SUZHOU) CO., LTD.	SUZHOU China	Manufacturing and selling electronic and camera components, and accessories	USD 34,000,000	USD 34,000,000	34,000,000	100.00%	(USD 573,222)	Does not fill out	
"	EZWAIVE TECHNOLOGIES, INC.	Taipei City	Selling computer peripherals	5,015	5,015	500,000	100.00%	5,906	Does not fill out	
"	YOFREE TECHNOLOGY CO., LTD.	Taipei county	Manufacturing electronic part	10,500	10,500	1,050,000	17.50%	5,906	Does not fill out	
"	EZWAIVE TECHNOLOGIES, INC.	Taipei county	Manufacturing and selling of LED bulb	55,000	25,000	5,000,000	100.00%	(986)	Does not fill out	
"	Azwave Holding (Samoa) Inc	Samoa Islands	Investing activities	402,540	402,540	12,000,000	100.00%	27,809	Does not fill out	
"	Eminent Star Company Limited	British Virgin Islands	Investing activities	23,376	23,376	387,923	100.00%	(3,411)	Does not fill out	
"	Azwave Holding (Samoa) Inc	Shanghai, China	Manufacturing electronic part	USD 10,000,000	USD 10,000,000	10,920,370	100.00%	USD 872,460	Does not fill out	
"	Azwave Technologies (Yangzhou) Inc.	Yangzhou China	Manufacturing and selling of LED indoor lighting products	USD 2,000,000	USD 2,000,000	2,000,000	100.00%	(USD 574)	Does not fill out	
"	Jade Technologies Limited	Bruce	Investing activities	USD 100,943	USD 100,943	44,781	100.00%	USD 17,652	Does not fill out	
"	Himes International Limited	Cayman	Investing activities	USD 178,235	USD 178,235	178,235	100.00%	(USD 54,306)	Does not fill out	
"	Azurewave Technology(Shenzhen)Co.,Ltd.	Shenzhen, China	Designing, researching and selling computer products	USD 1,799,440	USD 1,799,440	1,551,554	66.67%	(USD 52,962)	Does not fill out	

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				As of Mar 31, 2010	As of December 31, 2009	As of Mar 31, 2010	As of December 31, 2009					
Jiale Technologies Limited	Azurewave Technology (Shenzhen) Co., Ltd	Shenzhen China	Designing, researching and selling computer products	USD 900,964	USD 900,964	-	33.33%	USD 75,766	(USD 82,962)		Does not fill out	
Hannex International Limited	Scientek-Nanjing Co., Ltd	Nanjing China	Designing, researching and selling computer products	USD 1,500,000	USD 1,500,000	-	100.00%	USD 88,480	(USD 84,306)		Does not fill out	
Ability Enterprise Co., Ltd.	ABILITY ENTERPRISE (BVI) CO., LTD.	British Virgin Islands	Investing activities	852,156	852,156	-	100.00%	2,917,791	(2,365)		Does not fill out	
"	ACTION PIONEER INTERNATIONAL LTD.	PORT LOUIS MAURITIUS	Trading activities	67,330	67,330	-	100.00%	60,443	(-)		Does not fill out	
"	VIEWQUEST TECHNOLOGIES INTERNATIONAL INC.	CA, USA	Selling computer peripherals, digital cameras and electronic components	50,729	50,729	-	100.00%	386	-		Does not fill out	
"	VIEWQUEST TECHNOLOGIES (BVI) INC.	British Virgin Islands	Selling computer peripherals, digital cameras and electronic components	681,764	681,764	-	100.00%	57,329	40,762		Does not fill out	
"	ASSOCIATION INTERNATIONAL LTD. Pegatron Holding Ltd.	Samoa Islands	Investing activities	38,772	38,772	-	100.00%	16,205	581		Does not fill out	
"	Ability International Investment Co., Ltd.	Taipei City	Investing activities	573,132	573,132	57,313,286	100.00%	706,747	9,289		Does not fill out	
"	Avy Precision Technology Inc.	Taipei City	Purchase/Selling components of optical products	280,869	280,869	15,115,631	20.39%	758,576	72,627		Does not fill out	
Ability International Investment Co NOENA CORPORATION	ABILITY ENTERPRISE (BVI) C/EVER PINE INTERNATIONAL LTD. (BVI)	Taipei City	Purchase/Selling optical products	40,000	-	4,000,000	80.00%	39,301	(874)		Does not fill out	
ABILITY ENTERPRISE (BVI) C/EVER PINE INTERNATIONAL LTD. (BVI)		British Virgin Islands	Selling, import and export metal and plastic parts of small-scale motor, camera plastic cases, and optical instruments	USD 1,920,303	USD 1,920,303	-	34.65%	USD 4,017,707	(USD 122,553)		Does not fill out	
"	SHIN-EI YORKEY INTERNATIONAL LTD. (BVI)	British Virgin Islands	Investing activities	USD 500,000	USD 500,000	-	50.00%	USD 730,367	(USD 147,800)		Does not fill out	
"	Ability Technology (Dongguan) Co., Ltd	Dongguan China	Producing and selling digital cameras	USD 20,939,900	USD 20,939,900	-	100.00%	USD 28,208,866	(USD 191,337)		Does not fill out	
ASSOCIATION INTERNATIONAL LTD. Pegatron Holding Ltd.	PENTAX VQ CO., LTD.	Hong Kong	Trading activities	USD 1,200,000	USD 1,200,000	-	40.00%	USD 1,847,860	USD 45,504		Does not fill out	
BOARDTEK HOLDINGS LTD. (Cayman)	BOARDTEK HOLDINGS LTD. (Cayman)	Cayman Islands	Investing and trading activities	USD 100,297,260	USD 100,297,260	100,000,000	100.00%	USD 100,700,791	USD 621,074		Does not fill out	
BOARDTEK HOLDINGS LTD. (Cayman)	BOARDTEK HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 100,297,260	USD 100,297,260	52,085,790	100.00%	USD 100,709,781	USD 625,584		Does not fill out	
Pegatron Holding Ltd.	MAGNIFICENT BRIGHTNESS LIMITED	British Virgin Islands	Investing and trading activities	USD 260,380,848	USD 260,380,848	177,961,090	100.00%	USD 378,495,880	(USD 3,936,275)		Does not fill out	
"	PROTEK GLOBAL HOLDINGS LTD.	British Virgin Islands	Investing and trading activities	USD 225,160,628	USD 225,160,628	233,050,000	100.00%	USD 298,403,832	(USD 21,689,891)		Does not fill out	
"	NORTH TEC-ASIA LIMITED	British Virgin Islands	Investing and trading activities	USD 74,237,901	USD 74,237,901	75,050,000	100.00%	USD 82,314,086	(USD 2,334,911)		Does not fill out	
"	ASLINK PRECISION CO., LTD.	Cayman Islands	Investing and trading activities	USD 20,606,722	USD 20,606,722	19,093,263	100.00%	USD 19,485,513	USD 218,155		Does not fill out	
"	DIGITEK GLOBAL HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 48,511	USD 48,511	50,000	100.00%	USD 168,454	-		Does not fill out	
"	COTEK HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 1	USD 1	12,260,000	100.00%	(USD 17,717,299)	(USD 2,026,335)		Does not fill out	
"	TOP QUARK LIMITED	Hong Kong	Investing and holding activities	USD 8,594,482	USD 8,594,482	7,550,000	100.00%	USD 10,014,547	USD 22,780		Does not fill out	
"	POWTEK HOLDINGS LIMITED	British Virgin Islands	Investing and trading activities	USD 13,145,510	USD 13,145,510	8,050,000	100.00%	USD 15,122,065	(USD 3,853,371)		Does not fill out	
BOARDTEK HOLDINGS LIMITED	BOARDTEK COMPUTER (SUZHOU) CO., LTD	SUZHOU China	Developing, manufacturing and selling new electronic components, circuit boards and relevant products, and providing after-sales service	USD 52,000,000	USD 52,000,000	-	100.00%	USD 99,794,700	USD 280,379		Does not fill out	
"	BOARDTEK (H.K.) TRADING LIMITED.	Hong Kong	Trading activities	USD 25,790	USD 25,790	200,000	100.00%	USD 892,715	USD 345,205		Does not fill out	
MAGNIFICENT BRIGHTNESS LIMITED	MAINTEK COMPUTER(SUZHOU)CO.,LTD	SUZHOU China	Manufacturing, developing and selling power supply units, computer cases, computer systems, notebooks, main boards, and computer peripherals, and providing after-sales service	USD 176,800,000	USD 176,800,000	-	100.00%	USD 378,383,096	(USD 3,936,269)		Does not fill out	
PROTEK GLOBAL HOLDINGS LIMITED	Protek (Shanghai) Limited	Shanghai China	Manufacturing, developing and selling computers, printers and electronic components, and providing after-sales service	USD 233,000,000	USD 233,000,000	-	75.65%	USD 298,374,510	(USD 23,994,506)		Does not fill out	
"	Protek (Shanghai) Limited	Shanghai China	Manufacturing, developing and selling computers, printers and electronic components, and providing after-sales service	USD 75,000,000	USD 75,000,000	-	24.35%	USD 82,467,842	(USD 23,994,506)		Does not fill out	
COTEK HOLDINGS LIMITED	COTEK ELECTRONICS(SUZHOU)CO.,LTD	SUZHOU China	R&D, manufacturing and selling new electronic components, providing mold technology, and after-sales service	USD 12,000,000	USD 12,000,000	-	100.00%	(USD 17,722,643)	(USD 2,026,535)		Does not fill out	

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Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2010		Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				As of Mar 31, 2010	As of December 31, 2009	Shares	Percentage of Carrying Amount Ownership			
TOP QUARK LIMITED	RUNTOP (SHANGHAI) CO., LTD.	Shanghai China	Manufacturing and selling computer parts and peripherals of digital automatic data processors, multimedia computer system accessories, power supply units, network switches, and modems	USD 7,695,000	USD 7,695,000	-	100.00%	USD 24,226	Does not fill out	
POWTEK HOLDINGS LIMITED	Powtek (Shanghai) Co., Ltd.	Shanghai China	Selling main boards, computer peripherals, note books, servers and software, and providing after-sales service	USD 8,000,000	USD 8,000,000	-	100.00%	(USD 353,371)	Does not fill out	
ASLINK PRECISION CO., LTD.	ASLINK (H.K.) PRECISION CO., LIMITED	South KLN, Hong Kong	investing and trading activities	USD 4,785,010	USD 4,785,010	4,785,010	100.00%	USD 341,285	Does not fill out	
ASLINK (H.K.) PRECISION CO., LIMITED	LINKTEK PRECISION (SUZHOU) CO., LIMITED	SUZHOU China	Manufacturing and selling the connector of earphones.	-	USD 6,984,448	-	-	-	Does not fill out	
ASLINK PRECISION CO., LTD.	ASAP INTERNATIONAL CO., LIMITED	Hong Kong	Investing and activities	USD 8,875,000	USD 8,875,000	8,875,000	59.17%	USD 293,803	Does not fill out	
ASAP INTERNATIONAL CO., LTD.	ASAP TECHNOLOGY (JIANGSU) CO., LIMITED	JIANGSU China	Manufacturing and selling data transit wire and cable	USD 14,460,000	USD 14,460,000	-	100.00%	USD 205,484	Does not fill out	

(Note 1) Due to oversea organization restructuring of the group, the 100% shareholding company of United New Limited was adjusted from Cnetek Holdings Limited to APLUS PRECISION (CAYMAN) LIMITED.
(Note 2) LINKTEK PRECISION (SUZHOU) CO., LIMITED completed the process of liquidation in 2010, and the remaining assets was distributed to ASLINK (H.K.) PRECISION CO., LIMITED.
(Note 3) Due to oversea organization restructuring of the group, NORTH TEC ASIA (SHANGHAI) LIMITED merged with Powtek (Shanghai) Limited in 2009, the merge was approved by Administration for Industry and Commerce, and tax bureau is still under review.

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 NOTES TO FINANCIAL STATEMENTS (CONT'D)

Table of Financings provided
 (For the three months ended March 31, 2010)

No.	Financing Company	Counter-party	Financial Statement Account (Note2)	Maximum Balance for the three months ended March 31, 2010	Ending Balance	Interest Rate	Type of Financing (Note5)	Amount of commercial (Note6)	Reason for Other term Financing (Note5)	Allowance for Bad Debt	(Expressed in thousands of NT dollars in dollars of other foreign currency)		
											Collateral Item	Value	Financing Limit for Each Borrowing Company (Note)
1	MAINTK COMPUTER(SHANGHAI) CO., LTD	COTEK ELECTRONICS(SHANGHAI) CO., LTD	Other receivables	CNY 107,660,449	-	-	(2)	-	Financial intermediation	-	-	CNY 387,443,479	CNY 774,886,958
1	MAINTK COMPUTER(SHANGHAI) CO., LTD	CASATEK COMPUTER (SUZHOU) CO., LTD	Other receivables	CNY 270,110,000	CNY 134,685,221	-	(2)	-	Financial intermediation	-	-	CNY 387,443,479	CNY 774,886,958
1	MAINTK COMPUTER(SHANGHAI) CO., LTD	BOARDTEK COMPUTER (SUZHOU) CO., LTD	Other receivables	CNY 17,590,000	-	-	(2)	-	Financial intermediation	-	-	CNY 387,443,479	CNY 774,886,958
2	ABILITY ENTERPRISE (BYD) CO., LTD.	ASSOCIATION INTERNATIONAL LTD.	Accounts receivable - related parties	NTD 42,297	NTD 42,297	-	(2)	-	For operating use	-	USD 1,348,810	USD 36,201,057	USD 36,201,057
2	ABILITY ENTERPRISE (BYD) CO., LTD.	Ability Technology (Dongguan) Co., Ltd	Accounts receivable - related parties	NTD 260,250	NTD 260,250	-	(2)	-	For operating use	-	USD 11,350,000	USD 36,201,057	USD 36,201,057
3	CASATEK HOLDINGS LTD.	KABDAK ELECTRONICS (KOSHAN) CO., LI	Other receivables	USD 2,460,000	USD 2,460,000	0.455%	(2)	-	Financial intermediation	-	-	USD 3,889,219	USD 46,318,959
4	Protek (Shanghai) Limited	CASATEK (SHANGHAI) LIMITED	Other receivables	CNY 5,060,000	CNY 5,060,000	1.00%	(2)	-	Financial intermediation	-	-	CNY 265,510,988	CNY 611,038,176

(Note 1) The Company & subsidiaries tend to enter, the number is written below.

1: issuer; 0

2: Subsidiaries were numbered from 1

(Note 2) If accounts receivable - related party, stockholders' current account, payments and temporary payments, etc. are below to the nature of loan, which should be filled out the table

(Note 3) Reasons for financing are as follows:

(1) Business relationship

(2) For short-term financing

(Note 4) When the reason for financing is (1), it should describe the amount of business relationship loans.

(Note 5) When the reason for financing is (2), it should describe the nature and target of loans specifically.

(Note 6) When the reason for financing is (3), it should describe the nature and target of loans specifically.

(Note 7) Transactions denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date. (The spot rate of USD was 31.8 on 31 March, 2010; R/R/NTD 42.72; R/P/NTD 0.3410; CNY/NTD 4.6885.)

The total amount of loan limit:

In accordance with the company's (MAINTK COMPUTER(SHANGHAI) CO., LTD) policy, the total amount of loan shall not exceed 30% of the company's (MAINTK COMPUTER(SHANGHAI) CO., LTD) current net assets.

In accordance with the company's (ABILITY ENTERPRISE (BYD) CO., LTD) policy, the total amount of loan shall not exceed 40% of the company's (ABILITY ENTERPRISE (BYD) CO., LTD) current net assets.

In accordance with the company's (CASATEK HOLDINGS LTD) policy, the total amount of loan shall not exceed 20% of the company's (CASATEK HOLDINGS LTD) current net assets.

In accordance with the company's (Protek (Shanghai) Limited) policy, the total amount of loan shall not exceed 30% of the company's (Protek (Shanghai) Limited) current net assets.

The maximum amount of loan limit to a single entity:

In accordance with the company's (MAINTK COMPUTER(SHANGHAI) CO., LTD) policy, the total amount of loan to a single entity shall not exceed 15% of the company's (MAINTK COMPUTER(SHANGHAI) CO., LTD) current net assets.

In accordance with the company's (ABILITY ENTERPRISE (BYD) CO., LTD) policy, the total amount of loan to a single entity shall not exceed 15% of the company's (ABILITY ENTERPRISE (BYD) CO., LTD) current net assets.

In accordance with the company's (CASATEK HOLDINGS LTD) policy, the total amount of loan to a single entity shall not exceed 15% of the company's (CASATEK HOLDINGS LTD) current net assets.

In accordance with the company's (Protek (Shanghai) Limited) policy, the total amount of loan to a single entity shall not exceed 15% of the company's (Protek (Shanghai) Limited) current net assets.

(Note 7) Transactions denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date. (The spot rate of USD was 31.8 on 31 March, 2010; R/R/NTD 42.72; R/P/NTD 0.3410; CNY/NTD 4.6885.)

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Table 9 (Endorsements/guarantees provided)
 (For the three months ended March 31, 2010)

No. (Note)	Endorsement/Guarantee Provider (ASLINK (H.K.) PRECISION CO., LIMITED)	Name LINKTEK PRECISION (SUZHOU) CO.,	Guaranteed Party	Nature of Relationship (Note 2)	Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party (Note 3)	Maximum Balance for the three months period ended March 31, 2010 (Note 4)	Ending Balance (Note 4)	Amount of Endorsement/Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements	Minimum Endorsement/Guarantee Amount/Allowable (Note 5)
1	ASLINK (H.K.) PRECISION CO., LIMITED	LINKTEK PRECISION (SUZHOU) CO.,		(2)	USD 1,172,369	USD 800,000	-	-	-	USD 2,735,528
2	Ability Enterprise Co., Ltd.	ABILITY ENTERPRISE (BVI) CO., LTD.		(2)	10,017,985	611,135 (USD 19,000,000)	604,200 (USD 19,000,000)	-	6.03%	10,017,985
2	Ability Enterprise Co., Ltd.	VIEWQUEST TECHNOLOGIES (BVI) INC.		(2)	10,017,985 (USD 948,895,043 & NT 175,000 thousands)	1,747,709 (USD 948,895,043 & NT 175,000 thousands)	1,729,862	-	17.27%	10,017,985
2	Ability Enterprise Co., Ltd.	ACTION PIONEER INTERNATIONAL		(2)	10,017,985	24,691 (USD 767,644)	23,849 (USD 749,976)	-	0.24%	10,017,985
4	UNIHAN CORPORATION	KAEDAR TRADING LTD.		(2)	3,879,122	630,434 (USD 19,600,000)	623,280 (USD 19,600,000)	-	4.82%	9,051,284
4	UNIHAN CORPORATION	United New Ltd		(2)	3,879,122	932,785 (USD 29,000,000)	922,200 (USD 29,000,000)	-	7.13%	9,051,284
4	UNIHAN CORPORATION	AVY PRECISION ELECTROPLATING (SUZH)		(6)	3,879,122	410,104 (USD 12,750,000)	405,450 (USD 12,750,000)	-	3.14%	9,051,284

(Note 1) The Company & subsidiaries lead to other, the number is written below.

1: Issuer; 0

2: Subsidiaries were numbered from 1

(Note 2) : Nature of Relationship:

(1) Business relationship.

(2) Directly owned subsidiary's shares exceeding 50%.

(3) The Company and subsidiary owns over 50% ownership of the investee company.

(4) The Company and its subsidiaries directly and indirectly owns over 50% of the shares of the subsidiary.

(5) Guaranteed by the Company according to the construction contract.

(6) Guaranteed by the Company according to joint investment relationship.

(7) The parent company.

(Note 3) The maximum amount of endorsement limit:

In accordance with the company's (ASLINK (H.K.) PRECISION CO., LTD.) policy, the total guarantee amount shall not exceed 70% of the company's (ASLINK (H.K.) PRECISION CO., LTD.) current net assets.

In accordance with the company's (ABILITY ENTERPRISE CO., LTD.) policy, the total guarantee amount shall not exceed 100% of the company's (ABILITY ENTERPRISE CO., LTD.) current net assets.

In accordance with the company's (UNIHAN CORPORATION) policy, the total guarantee amount shall not exceed 70% of the company's (UNIHAN CORPORATION) current net assets.

The maximum amount of endorsement limit to a single entity:

In accordance with the company's (ASLINK (H.K.) PRECISION CO., LTD.) policy, the total guarantee amount to a single entity shall not exceed 30% of the company's (ASLINK (H.K.) PRECISION CO., LTD.) current net assets.

In accordance with the company's (ABILITY ENTERPRISE CO., LTD.) policy, the total guarantee amount to a single entity shall not exceed 100% of the company's (ABILITY ENTERPRISE CO., LTD.) current net assets.

In accordance with the company's (UNIHAN CORPORATION) policy, the total guarantee amount to a single entity shall not exceed 30% of the company's (UNIHAN CORPORATION) current net assets.

(Note 4) Transactions denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date.

(The spot rate of USD was 31.8 on 31 March, 2010, EUR/NTD 42.72, JPY/NTD 0.3410, CNY/NTD 4.6585.)

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Table 10. (Marketable securities held)
 (For the three months ended March 31, 2010)

Holding Company	Type	Marketable Securities	Security Issuer's Relationship with the Holding Company	March 31, 2010			
				Shares/Units	Carrying Amount	Percentage	Market Value or Net Asset Value
UNIHAN CORPORATION	Stock	WALGINK INDUSTRIAL CO., LTD.	An investee company accounted for under the equity method	3,000,000	14,712	4.41%	-
	Stock	AMA PRECISION INC.	An investee company accounted for under the equity method	52,000,000	347,670	100.00%	347,670
	Stock	Ability Enterprise Co., Ltd.	long-term investments at equity	55,236,195	2,338,208	12.65%	2,916,471
	Stock	AnaWave Technologies, Inc.	long-term investments at equity	32,330,000	620,959	35.00%	620,959
	Stock	Asiatic Fund Ltd.	long-term investments at equity	211,187,606	8,014,305	100.00%	8,014,305
	Fund	Cubier Bond Fund	financial assets at fair value through income statement	1,129,765	16,355	-	16,355
	Fund	Yuanan WAN TAI BOND FUND	financial assets at fair value through income statement	4,562,220	72,045	-	72,045
	Fund	JF (Taiwan) Bond	financial assets in available-for-sale account	443,741	546,235	0.65%	546,235
	Stock	Altech Communications Inc.	financial assets in available-for-sale account	2,000,738	360,133	2.54%	360,133
	Stock	LOTES CO., LTD.	financial assets in available-for-sale account	4,868,720	606,156	3.88%	606,156
ASISPOWER INVESTMENT CO., LTD.	Stock	Radix Technology Corp.	financial assets in available-for-sale account	248,547	83,636	0.19%	83,636
	Stock	YOUNG FAST OPTOELECTRONICS CO., LTD.	financial assets in available-for-sale account	2,420,520	320,719	6.56%	320,719
	Stock	TrendChip Technologies Corp.	financial assets at cost - noncurrent	472,000	-	1.72%	-
	Stock	ZOWIE Technology Corporation	financial assets at cost - noncurrent	12,140	-	0.08%	-
	Stock	THE INFOPRO GROUP INC.	financial assets at cost - noncurrent	446,805	-	4.69%	-
	Stock	Mobitek Communication Corp.	financial assets at cost - noncurrent	5,662,500	-	14.01%	-
	Stock	LEIFER Semiconductor Corp.	financial assets at cost - noncurrent	7,300,000	-	12.06%	-
	Stock	LEIFER Semiconductor Corp.	financial assets at cost - noncurrent	780,000	-	2.66%	-
	Stock	STARLINK ELECTRONICS CORPORATION	long-term investments at equity	35,526,221	140,345	11.46%	140,345
	Stock	KINISIS INTERCONNECT TECHNOLOGY CORP.	long-term investments at equity	55,556,221	2,190,070	12.46%	4,622,278
UNIHAN CORPORATION	Stock	ASROCK Incorporation	long-term investments at equity	2,791,000	160,350	2.43%	380,972
	Stock	Ability Enterprise Co., Ltd.	long-term investments at equity	10,828	246	0.09%	572
	Stock	Lumens Digital Optics Inc.	long-term investments at equity	10,256,232	713,269	51.28%	713,269
	Stock	PEGAVISION CORPORATION	long-term investments at equity	10,000,000	93,149	27.78%	93,149
	Stock	ASISPOWER CORPORATION	long-term investments at equity	109,000,000	8,753,310	31.23%	8,753,310
	Stock	PEGATRON TECHNOLOGY SERVICE INC.	long-term investments at equity	2,800	135,745	100.00%	135,745
	capital	WISE INVESTMENT LIMITED	long-term investments at equity	-	37,035	48.78%	37,035
	capital	PEGA INTERNATIONAL LIMITED	long-term investments at equity	-	63,535	100.00%	63,535
	capital	PEGATRON MEXICO S.A. DE C.V.	long-term investments at equity	-	68,834	100.00%	68,834
	capital	Polaris De Li Fund	long-term investments at equity	-	318,260	40.51%	318,260
UNIHAN CORPORATION	Fund	Cubier Bond Fund	financial assets at fair value through income statement	1,549,275	18,620	-	18,620
	Fund	Yuanan WAN TAI BOND FUND	financial assets at fair value through income statement	2,824,315	44,064	-	44,064
	Fund	JF (Taiwan) Bond	financial assets in available-for-sale account	21,670,380	106,679	0.09%	106,679
	Stock	STARLINK ELECTRONICS CORPORATION	long-term investments at equity	90,166	90,166	31.41%	90,166
	Stock	KINISIS INTERCONNECT TECHNOLOGY CORP.	long-term investments at equity	2,592,599	5,002,684	13.48%	5,002,684
	Stock	ASROCK Incorporation	long-term investments at equity	57,217,544	7,810,223	49.74%	7,810,223
	Stock	Lumens Digital Optics Inc.	long-term investments at equity	617,974	42,978	3.09%	42,978
	Stock	ASISPOWER CORPORATION	long-term investments at equity	103,000,000	8,271,219	29.51%	8,271,219
	capital	ASLEY TRAVEL SERVICE LIMITED	long-term investments at equity	-	17,807	100.00%	17,807
	capital	HUA-YUAN INVESTMENT LIMITED	long-term investments at equity	-	605,913	100.00%	605,913
ASISTEK INVESTMENT CO., LTD.	capital	PEGATRON MEXICO S.A. DE C.V.	long-term investments at equity	111,043	111,043	7.25%	111,043
	capital	Polaris De Li Fund	long-term investments at equity	528,128	528,128	59.49%	528,128
	capital	ASISPOWER CORPORATION	long-term investments at equity	242,889	242,889	100.00%	242,889
	capital	ASISPOWER CORPORATION	long-term investments at equity	1,114,672	1,114,672	100.00%	1,114,672
	capital	ASISPOWER CORPORATION	long-term investments at equity	2,149,871	2,149,871	100.00%	2,149,871
	capital	ASISPOWER CORPORATION	long-term investments at equity	79,478	79,478	100.00%	79,478
	capital	ASISPOWER CORPORATION	long-term investments at equity	11,538,824	46,083	1.63%	46,083
	capital	ASISPOWER CORPORATION	long-term investments at equity	58,233,091	2,512,499	16.75%	2,512,499
	capital	ASISPOWER CORPORATION	long-term investments at equity	7,453,405	428,218	6.48%	428,218
	capital	ASISPOWER CORPORATION	long-term investments at equity	430,974	29,973	2.15%	29,973
UNIHAN CORPORATION	Stock	AnaWave Technologies, Inc.	long-term investments at equity	6,820,846	130,402	7.56%	130,402
	Stock	ASISPOWER CORPORATION	long-term investments at equity	137,000,000	11,004,000	39.26%	11,004,000

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(Expressed in thousands of NT dollars in dollars of other foreign currency)

Holding Company	Type	Mintable Securities	Name	Security Issuer's Relationship with the Holding Company	Financial Statement Account		March 31, 2010		Note
					Shares/Units	Carrying Amount	Percentage	Market Value on Net Asset Value	
Union Holding Ltd.	Stock	CASETEK HOLDINGS LIMITED		An investee company accounted for under the equity method	138,099,685	USD 232,594,796	100.00%	USD 232,594,796	
	Stock	AZUREWAVE (Cymru) Holding Inc.		An investee company accounted for under the equity method	-	USD 58,341	46.00%	USD 58,341	
CASETEK HOLDINGS LIMITED	capital	CASETEK COMPUTER (SUZHOU) CO., LTD.		An investee company accounted for under the equity method	-	USD 127,009,990	100.00%	USD 127,009,990	
	Stock	WILSON HOLDINGS LIMITED		An investee company accounted for under the equity method	4,000,000	USD 5,127,280	49.00%	USD 10,893,849	
	Stock	INDEED HOLDINGS LIMITED		An investee company accounted for under the equity method	19,600,000	USD 21,898,919	49.00%	USD 48,161,039	
	Stock	SITEK HOLDINGS LIMITED		An investee company accounted for under the equity method	1,210,000	USD 1,429,222	100.00%	USD 1,429,222	
	Stock	KAEDAR HOLDINGS LIMITED		An investee company accounted for under the equity method	25,000,000	USD 32,592,460	100.00%	USD 32,592,460	
	Stock	KAEDAR TRADING LTD.		An investee company accounted for under the equity method	5,000,000	USD 12,067,522	100.00%	USD 12,067,522	
	capital	CORE-TEK (SHANGHAI) LIMITED		An investee company accounted for under the equity method	-	USD 12,045,600	100.00%	USD 12,045,600	
	Stock	APLUS PRECISION (Cymru) LIMITED		An investee company accounted for under the equity method	17,596,100	USD 13,915,385	51.00%	USD 26,815,101	Notes
SITEK HOLDINGS LIMITED	capital	Zhangjiadong Dingtai High Technology Metal Products Co., LTD.		An investee company accounted for under the equity method	-	USD 1,422,298	20.00%	USD 1,422,298	
KAEDAR HOLDINGS LIMITED	capital	KAEDAR ELECTRONICS (KUNSHAN) CO., LTD.		An investee company accounted for under the equity method	-	USD 32,087,176	100.00%	USD 32,087,176	
APLUS PRECISION (Cymru) LIMITED	capital	UNITED NEW LIMITED		An investee company accounted for under the equity method	-	USD 26,815,101	100.00%	USD 26,815,101	Notes
UNITED NEW LIMITED	capital	AVY PRECISION ELECTROPLATING (SUZHOU) CO., LTD.		An investee company accounted for under the equity method	-	USD 25,403,820	100.00%	USD 25,403,820	
AzureWave Technologies, Inc.	Stock	EZWAVE TECHNOLOGIES, INC.		An investee company accounted for under the equity method	500,000	(14,988)	100.00%	(14,988)	
	Stock	YORREE TECHNOLOGY CO., LTD.		An investee company accounted for under the equity method	1,000,000	10,900	17.50%	30,900	
	Stock	EZWAVE TECHNOLOGIES, INC.		An investee company accounted for under the equity method	5,000,000	55,537	100.00%	55,537	
	Stock	Azaveva Holding (Samoa) Inc.		An investee company accounted for under the equity method	12,000,000	41,322	100.00%	41,322	
	Stock	Finnest Star Company Limited		An investee company accounted for under the equity method	397,223	12,332	100.00%	12,332	
AzureWave Technologies (Shanghai) Inc.	capital	AzureWave Technologies (Shanghai) Inc.		An investee company accounted for under the equity method	-	USD 10,920,370	100.00%	USD 10,920,370	
Jade Technologies Limited	Stock	Jade Technologies Limited		An investee company accounted for under the equity method	44,781	USD 1,976,557	100.00%	USD 1,976,557	
Finnest Star Company Limited	Stock	Hanex International Limited		An investee company accounted for under the equity method	178,235	USD 81,001	100.00%	USD 81,001	
Jade Technologies Limited	capital	Azurewave Technology(Shezhou)Co.,Ltd		An investee company accounted for under the equity method	-	USD 88,814	100.00%	USD 88,814	
Azurewave Technology(Shezhou)Co.,Ltd	capital	Azurewave Technology(Shezhou)Co.,Ltd		An investee company accounted for under the equity method	-	USD 151,554	66.67%	USD 151,554	
Scientek-Shing Co.,Ltd	capital	Scientek-Shing Co.,Ltd		An investee company accounted for under the equity method	-	USD 75,766	33.33%	USD 75,766	
Ability Enterprise Co., Ltd.	capital	Ability Enterprise Co., Ltd.		An investee company accounted for under the equity method	-	USD 88,480	100.00%	USD 88,480	
GDR	GDR	GDR of ProMOS Technologies Inc.		financial assets at fair value through income statement	1,022,700	2,535	-	2,535	
GDR	GDR	GDR of CHINGHWA PICTURE TUBES, LTD.		financial assets at fair value through income statement	1,499,475	5,298	-	5,298	
DR	DR	DR of Yang Mine Mining Timbort Corp.		financial assets at fair value through income statement	855,038	10,175	-	10,175	
Bonds with Repurchase Agreements		Bonds with Repurchase Agreements of Yuan An Asset management		financial assets at fair value through income statement	-	318,215	-	318,215	
Stock	Stock	Grand Tech C.G. Systems Inc.		financial assets in available-for-sale-structure	1,249,672	36,191	3.01%	36,191	
Stock	Stock	PowerWorld Capital Management Inc.		financial assets at cost - noncurrent	515,908	1,559	2.27%	-	
Stock	Stock	CHANG CHANG OPTICAL CO., LTD.		financial assets at cost - noncurrent	280,000	14,000	7.00%	-	
Stock	Stock	COAC TECHNOLOGY CO., LTD.		financial assets at cost - noncurrent	280,125	2,989	0.82%	-	
Stock	Stock	YUWAVE TECHNOLOGY CO., LTD.		financial assets at cost - noncurrent	349,200	-	1.70%	-	
Stock	Stock	ADITEK CORP.		financial assets at cost - noncurrent	360,000	-	1.10%	-	
Stock	Stock	Franklin Computer Inc.		financial assets at cost - noncurrent	2,089,700	-	2.09%	-	
capital	capital	ABILITY ENTERPRISE (BYD) CO., LTD.		long-term investments at equity	-	2,917,791	100.00%	2,917,791	
capital	capital	ACTION PIONEER INTERNATIONAL LTD.		long-term investments at equity	-	60,443	100.00%	60,443	
capital	capital	VIEWQUEST TECHNOLOGIES INTERNATIONAL INC.		long-term investments at equity	-	386	100.00%	386	
capital	capital	VIEWQUEST TECHNOLOGIES (BYD) INC.		long-term investments at equity	-	57,329	100.00%	57,329	
capital	capital	ASSOCIATION INTERNATIONAL LTD.		long-term investments at equity	-	16,205	100.00%	16,205	
Stock	Stock	Ability International Investment Co., Ltd.		long-term investments at equity	57,313,246	70,429	100.00%	70,429	
Stock	Stock	Avy Precision Technology Inc.		long-term investments at equity	131,15,681	758,576	30.39%	2,531,868	

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(Expressed in thousands of NT dollars/in dollars of other foreign currency)

Holding Company	Type	Marketable Securities	Name	Security Issuer's Relationship with the Holding Company	Financial Statement Account		March 31, 2010		Note
					Shares/Units	Carrying Amount	Percentage	Market Value or Net Asset Value	
Ability International Investment Co., Ltd.	Fund	Fuh-Hwa Bond Fund			financial assets at fair value through income statement	9,145	91,415		
	Stock	NUFAMA CORPORATION		An investee company accounted for under the equity method	financial assets at fair value through income statement	300,288	200,288		
	Stock	ACER INCORPORATED		An investee company accounted for under the equity method	long-term investments at equity	14,241	1,109		
	Stock	ASAP INTERNATIONAL		An investee company accounted for under the equity method	financial assets at fair value through income statement	47,037	14,346		
	Stock	ASAP OPTICAL INDUSTRY CO., LTD.		An investee company accounted for under the equity method	financial assets at fair value through income statement	47,037	47,037		
	Stock	Chabon Venture Capital Co., Ltd.		An investee company accounted for under the equity method	financial assets at cost - noncurrent	43,900	-		
	Stock	Esaltek Venture Capital Corp.		An investee company accounted for under the equity method	financial assets at cost - noncurrent	88,000	-		
	Stock	Milton Optic Industry Co., Ltd.		An investee company accounted for under the equity method	financial assets at cost - noncurrent	-	-		
	Stock	CC&C Technologies, Inc.		An investee company accounted for under the equity method	financial assets at cost - noncurrent	5,968	-		
	Stock	FUPAO CHEMICAL Co., Ltd.		An investee company accounted for under the equity method	financial assets at fair value through income statement	16,260	-		
	Stock	Boards with Repurchase Agreements of Yuanm Assets management		An investee company accounted for under the equity method	financial assets at fair value through income statement	16,260	USD 9,478,648		
ABILITY ENTERPRISE (BV) CO., LTD.	capital	EVER PINE INTERNATIONAL LTD. (BPV)		An investee company accounted for under the equity method	long-term investments at equity	USD 4,017,707	USD 4,017,707		
	capital	SHINCH TORREY INTERNATIONAL LTD. (BPV)		An investee company accounted for under the equity method	long-term investments at equity	USD 30,467	USD 30,467		
	capital	TORREY OPTICAL INTERNATIONAL (CATMAN) LTD.		An investee company accounted for under the equity method	financial assets in nonliable-for-sale-current	USD 38,403,700	USD 38,403,700		
	capital	Ability Technology (Dongguan) Co., Ltd		An investee company accounted for under the equity method	long-term investments at equity	USD 38,408,866	USD 38,408,866		
ASSOCIATION INTERNATIONAL LTD. Position Holding Ltd.	Stock	PENTAX CO., LTD.		An investee company accounted for under the equity method	long-term investments at equity	USD 1,847,860	USD 1,847,860		
BOARDTEK HOLDINGS LTD. (Cayman) Position Holding Ltd.	Stock	BOARDTEK HOLDINGS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 100,709,791	USD 100,709,791		
	Stock	MAGNIFICENT BRIGHTNESS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 100,709,781	USD 100,709,781		
	Stock	PROTEK GLOBAL HOLDINGS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 378,493,880	USD 378,493,880		
	Stock	NORTH TEC ASIA LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 298,403,812	USD 298,403,812		
	Stock	COTEC HOLDINGS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 76,485,416	USD 76,485,416		
	Stock	PROTEK GLOBAL HOLDINGS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 68,454	USD 1,688,454		
	Stock	TOP QUARK LIMITED		An investee company accounted for under the equity method	long-term investments at equity	(USD 17,172,999)	(USD 17,172,999)		
BOARDTEK HOLDINGS LIMITED	Stock	BOARDTEK HOLDINGS LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 10,014,547	USD 10,014,547		
MAGNIFICENT BRIGHTNESS LIMITED	Stock	BOARDTEK COMPUTER (SUZHOU) CO., LTD		An investee company accounted for under the equity method	long-term investments at equity	USD 15,122,065	USD 15,122,065		
PROTEK GLOBAL HOLDINGS LTD.	Stock	BOARDTEK (H.K.) TRADING LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 99,794,700	USD 99,794,700		
COTEC HOLDINGS LIMITED	Stock	MAINTeK COMPUTER(SUZHOU) CO., LTD		An investee company accounted for under the equity method	long-term investments at equity	USD 892,715	USD 892,715		
POWTEK HOLDINGS LIMITED	Stock	Protek (Shanghai) Limited		An investee company accounted for under the equity method	long-term investments at equity	USD 378,383,096	USD 378,383,096		
ASLINK PRECISION CO., LTD.	Stock	Protek (Shanghai) Limited		An investee company accounted for under the equity method	long-term investments at equity	USD 298,374,510	USD 298,374,510		
ASAP INTERNATIONAL CO., LIMITED	Stock	COTEC (KIEHONG)SUZHOU CO., LTD		An investee company accounted for under the equity method	long-term investments at equity	USD 82,407,842	USD 82,407,842		
	Stock	Protek (Shanghai) Co., Ltd.		An investee company accounted for under the equity method	long-term investments at equity	(USD 19,173,693)	(USD 19,173,693)		
	Stock	ASLINK (H.K.) PRECISION CO., LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 15,090,179	USD 15,090,179		
	Stock	ASAP INTERNATIONAL CO., LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 3,907,897	USD 3,907,897		
	Stock	ASAP TECHNOLOGY (JIANGSU) CO., LIMITED		An investee company accounted for under the equity method	long-term investments at equity	USD 10,586,880	USD 10,586,880		
	Stock	ASAP INTERNATIONAL CO., LIMITED		An investee company accounted for under the equity method	long-term investments at equity	8,875,000	USD 17,518,723		

(Note 1) Due to overseas organization restructuring of the group, NORTH TEC ASIA (SHANGHAI) LIMITED merged with Protek (Shanghai) Limited in 2009, the merge was approved by Administration for Industry and Commerce and tax herein is still under review.

(Note 2) STRATEGY Technology Co., Ltd. was in the process of liquidation in March 2010

(Note 3) Due to overseas organization restructuring of the group, the 100% shareholding company of United New Limited was adjusted from Casestk Holdings Limited to APTUS PRECISION (CATMAN) LIMITED.

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Table 1. (Marketable securities acquired or disposed of at costs or prices of at least NTS100 million or 20% of the paid-in capital)
(For the three months ended March 31, 2019)

Holding Company	Marketable Securities		Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal		Ending Balance	
	Type	Name				Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Gain (Loss) on Disposal	Shares/Units
UNIHAN CORPORATION	Fund	ING Taiwan Bond Fund	Financial assets at fair value through income statement	-	-	12,822,157	200,000 (€1)	12,822,157	200,094	200,000 (Note2)	94	-	-
UNIHAN CORPORATION	Fund	Capital Safe Income Fund	Financial assets at fair value through income statement	-	-	51,897,924	800,000 (€1)	51,897,924	800,365	800,000 (Note2)	365	-	-
UNIHAN CORPORATION	Fund	Prudential Financial Bond Fund	Financial assets at fair value through income statement	-	-	50,866,018	770,000 (€1)	50,866,018	770,249	770,000 (Note2)	249	-	-
UNIHAN CORPORATION	Fund	JF (Taiwan) Bond	Financial assets at fair value through income statement	-	-	12,668,090	200,000 (€1)	12,668,090	200,051	200,000 (Note2)	51	-	-
UNIHAN CORPORATION	Fund	Cathay Bond Fund	Financial assets at fair value through income statement	-	-	50,183,099	600,000 (€1)	50,183,099	600,190	600,000 (Note2)	190	-	-
UNIHAN CORPORATION	Fund	FUBON CHEHSIANG FUND	Financial assets at fair value through income statement	-	-	26,654,583	400,000 (€1)	26,654,583	400,155	400,000 (Note2)	155	-	-
KINUSUS INTERCONNECT TECHNOLOGY CORP.	Fund	Fuh-Hwa Yuh Bond Fund	Financial assets at fair value through income statement	-	66,995,807	18,616,708	240,000 (€1)	718 (€13)	-	-	-	85,612,515	1,103,999
Lumens Digital Optics Inc.	Fund	Fuh-Hwa Bond Fund	Financial assets at fair value through income statement	-	25,457,283	82,169,956	1,135,300 (€1)	628 (€13)	412,483	412,450 (Note2)	33	77,772,880	1,075,178
Lumens Digital Optics Inc.	Fund	Yuans WANG TAI BOND FUND	Financial assets at fair value through income statement	-	100,001	6,910,850	100,000 (€1)	51 (€13)	100,003	100,000 (Note2)	3	6,910,850	100,032
Ability Enterprise Co., Ltd.	Fund	Taiwan Lucky Fund	Financial assets at fair value through income statement	-	18,818,924	200,032	710,000 (€1)	-	910,205	910,032 (Note2)	173	-	-
Ability Enterprise Co., Ltd.	Fund	Capital Safe Income Fund	Financial assets at fair value through income statement	-	12,976,901	200,025	-	-	200,038	200,025 (Note2)	13	-	-
Ability Enterprise Co., Ltd.	Fund	Fuh-Hwa Bond Fund	Financial assets at fair value through income statement	-	-	85,387,830	1,180,000 (€1)	85,387,830	1,180,108	1,180,000 (Note2)	108	-	-
Ability Enterprise Co., Ltd.	Fund	Hua Nan Phoenix Bond Fund	Financial assets at fair value through income statement	-	12,841,586	200,020	-	-	200,035	200,020 (Note2)	15	-	-
Ability Enterprise Co., Ltd.	Fund	Hua Nan Kirin Bond Fund	Financial assets at fair value through income statement	-	17,438,616	200,025	-	-	200,040	200,025 (Note2)	15	-	-
Ability Enterprise Co., Ltd.	Fund	Mega Diamond Bond Fund	Financial assets at fair value through income statement	-	-	77,928,842	930,000 (€1)	77,928,842	930,182	930,000 (Note2)	182	-	-

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Holding Company	Marketable Securities	Financial Statement Account	Counter party	Nature of Relationship	Beginning Balance		Acquisition		Disposal		(Expressed in thousands of NT dollars in dollars of other foreign currency)	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Gain (Loss) on Disposal	Ending Balance
Ability Enterprise Co., Ltd.	Fund KGI Victory Fund	Financial assets at fair value through income statement	-	-	18,040,609	200,000 (€E1)	18,040,609	200,005	200,000	-	5	-
Ability Enterprise Co., Ltd.	Fund FUBON CHEHSIANG FUND	Financial assets at fair value through income statement	-	-	13,328,269	200,000 (€E1)	13,328,269	200,008	200,000	200,000 (Note2)	8	-
Ability Enterprise Co., Ltd.	Fund TLAM Solomon Bond Fund	Financial assets at fair value through income statement	-	-	16,575,364	300,000 (€E1)	24,857,346	300,020	500,028	500,028 (Note2)	174	-
Ability Enterprise Co., Ltd.	Fund PCA Well Pool Fund	Financial assets at fair value through income statement	-	-	15,403,811	200,000 (€E1)	15,403,811	200,006	200,000	200,000 (Note2)	6	-
Ability Enterprise Co., Ltd.	Fund Yuanin WAN TAI BOND FUND	Financial assets at fair value through income statement	-	-	13,821,605	200,000 (€E1)	13,821,605	200,008	200,000	200,000 (Note2)	8	-
Ability Enterprise Co., Ltd.	Fund Jih Sun Bond Fund	Financial assets at fair value through income statement	-	-	14,163,804	200,000 (€E1)	14,163,804	200,023	200,000	200,000 (Note2)	23	-

(Note 1) The additional investment for the three months period ended March 31, 2010.
 (Note 2) Disposal of investment for the three months period ended March 31, 2010.
 (Note 3) In accordance with SFAS No. 34, the Company used fair value to evaluate its financial assets and made an adjustment to stockholders' equity.

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Table 13 Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital (For the three months ended March 31, 2010)

Company Name	Related Party	Nature of Relationship	Purchases/Sales	Transaction Detail			Notes/Accounts Payable or Receivable				
				Amount	% to Total	Payment Term	Unit Price	Payment Term	Ending Balance	% to Total	Note
ACTION PIONEER INTERNATIONAL LTD.	Ability Enterprise Co., Ltd.	NOTE1	Sales	(136,538)	(85.00%)	The two sides agreed	-	-	106,594	69.00%	
AMA TECHNOLOGY CORPORATION	AMA PRECISION INC.	"	Purchases	(289,379)	(100.00%)	Full trade month next 90 days	-	-	223,334	100.00%	
ASAP INTERNATIONAL CO., LIMITED	Toptek Precision Industry (Suzhou) Co., Ltd	NOTE3	Purchases	216,674	75.72%	Open account 30 days	-	-	(123,467)	(53.56%)	
ASIA ROCK TECHNOLOGY LIMITED	ASUSTEK Computer Inc.	NOTE4	Sales	(105,713)	(31.45%)	Open account 90 days	-	-	131,096	39.76%	
ASRock America, Inc.	ASROCK Incorporation	NOTE1	Purchases	(1,837,448)	(93.74%)	30 days from receipt of goods	No general vendor for comparison	No general vendor for comparison	1,473,764	92.37%	
ASROCK EUROPE B.V.	ASROCK Incorporation	"	Purchases	262,781	14.48%	30 days from receipt of goods	No general vendor for comparison	No general vendor for comparison	(289,465)	(16.19%)	
ASROCK EUROPE LTD.	ASROCK Incorporation	"	Purchases	322,907	100.00%	Open account 90 days	No general vendor for comparison	No general vendor for comparison	(328,543)	(100.00%)	
BOARDTEK (H.K.) TRADING LIMITED	ASROCK Incorporation	"	Purchases	1,083,198	100.00%	45 days from receipt of goods	No general vendor for comparison	No general vendor for comparison	(332,347)	(100.00%)	
Lamens Integration Inc.	BOARDTEK COMPUTER (SUZHOU) CO., LTD	NOTE3	Purchases	412,825	100.00%	Open account 60-90 days	-	-	(410,785)	(99.58%)	
PEGATRON Czech s.r.o.	ASUSTEK Computer Inc.	NOTE4	Sales	(294,221)	(67.65%)	Open account 60 days	-	-	313,229	69.53%	
PEGATRON CORPORATION	Lumens Digital Optics Inc.	NOTE1	Purchases	124,777	100.00%	30 days from receipt of goods	-	-	(63,070)	(88.00%)	
UNITED NEW LIMITED	CASITEK COMPUTER (SUZHOU) CO., LTD	NOTE3	Purchases	359,845	4.46%	Open account 60 days	-	-	(319,572)	(3.86%)	
VIEWQUEST TECHNOLOGIES (BVD) INC.	PEGATRON CORPORATION	NOTE1	Sales	1,839,311	23.40%	120days from receipt of goods	-	-	(2,940,086)	(33.90%)	
UNIHAN CORPORATION	AVY PRECISION ELECTROPLATING (SUZHOU) CO., L	NOTE2	Sales	616,133	100.00%	Open account 60 days	-	-	(2,249,838)	(100.00%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	Ability Enterprise Co., Ltd.	NOTE1	Purchases	(9,971,274)	(99.00%)	The two sides agreed	-	-	3,639,299	99.00%	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	AVY Precision Technology Inc.	NOTE3	Purchases	276,669	3.00%	Open account 120 days	-	-	(283,901)	(4.00%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	ASHEINE PRECISION CO., LTD.	NOTE3	Purchases	129,710	1.00%	Open account 60 days	-	-	(117,392)	(2.00%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	CASITEK COMPUTER (SUZHOU) CO., LTD	NOTE2	Purchases	308,903	1.99%	Open account 60 days	-	-	(319,342)	(1.88%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	BOARDTEK COMPUTER (SUZHOU) CO., LTD	NOTE3	Purchases	234,847	1.52%	Open account 60 days	-	-	(233,930)	(1.38%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	PEGATRON CORPORATION	NOTE3	Sales	110,766	0.71%	60days from receipt of goods	-	-	(112,121)	(0.66%)	
BOARDTEK (H.K.) TRADING LIMITED	UNIHAN CORPORATION	NOTE3	Purchases	(234,847)	(16.00%)	Open account 60 days	-	-	233,930	16.87%	
Prottek (Shanghai) Limited	BOARDTEK (H.K.) TRADING LIMITED	NOTE3	Purchases	(412,825)	(28.13%)	Open account 60-90 days	-	-	410,785	29.63%	
PEGATRON CORPORATION	Prottek (Shanghai) Limited	NOTE3	Purchases	(301,888)	(20.88%)	Open account 60 days	-	-	193,730	13.97%	
ASUSTEK Computer Inc.	PEGATRON CORPORATION	NOTE1	Purchases	(249,032)	(16.97%)	Open account 30 days	-	-	251,268	18.13%	
VIEWQUEST TECHNOLOGIES (BVD) INC.	ASUSTEK Computer Inc.	NOTE4	Purchases	(312,252)	(9.90%)	Open account 60 days	-	-	223,348	16.11%	
AcureWave Technologies, Inc.	ACTION PIONEER INTERNATIONAL LTD.	NOTE2	Purchases	9,971,274	99.00%	The two sides agreed	-	-	(3,639,299)	(91.00%)	
BOARDTEK COMPUTER (SUZHOU) CO., LTD	AcureWave Technologies, Inc.	NOTE3	Purchases	136,358	-	The two sides agreed	-	-	(106,904)	(3.00%)	
CASITEK COMPUTER (SUZHOU) CO., LTD	AcureWave Technologies, Inc.	NOTE3	Purchases	614,421	0.35%	60-90days from receipt of goods	-	-	(505,604)	(8.82%)	
PEGATRON CORPORATION	BOARDTEK COMPUTER (SUZHOU) CO., LTD	"	Sales	301,888	0.17%	Open account 60 days	-	-	(193,730)	(0.32%)	
Entronix, Inc.	CASITEK COMPUTER (SUZHOU) CO., LTD	NOTE1	Sales	273,628	0.16%	Open account 60 days	-	-	(239,719)	(0.39%)	
AMA Technology Corporation	PEGATRON CORPORATION	NOTE3	Purchases	(7,628,771)	(12.72%)	Open account 90 days	-	-	46,420,583	98.97%	
Prottek (Shanghai) Limited	Entronix, Inc.	NOTE3	Sales	148,715	0.08%	Open account 60 days	-	-	(139,714)	(0.23%)	
Lumens Integration Inc.	AMA Technology Corporation	NOTE1	Purchases	(216,674)	(93.17%)	Open account 30 days	-	-	123,467	99.20%	
UNIHAN CORPORATION	Prottek (Shanghai) Limited	NOTE3	Purchases	(612,421)	(34.02%)	60-90days from receipt of goods	-	-	505,604	36.86%	
PEGATRON Czech s.r.o.	Lumens Integration Inc.	NOTE1	Purchases	(317,295)	(19.27%)	Open account 60 days	-	-	153,949	11.21%	
PEGATRON CORPORATION	UNIHAN CORPORATION	NOTE3	Purchases	(124,777)	(36.00%)	30days from receipt of goods	-	-	63,070	39.00%	
AMA Technology Corporation	PEGATRON CORPORATION	NOTE1	Purchases	(308,503)	(19.63%)	Open account 60 days	-	-	319,342	16.71%	
ASROCK EUROPE B.V.	PEGATRON Czech s.r.o.	NOTE3	Purchases	(350,845)	(22.29%)	Open account 60 days	-	-	319,572	16.73%	
ASROCK America, Inc.	Prottek (Shanghai) Limited	"	Purchases	(273,628)	(17.38%)	Open account 60 days	-	-	239,719	12.55%	
ASROCK EUROPE LTD.	AMA Technology Corporation	NOTE1	Purchases	(557,067)	(35.39%)	Open account 60 days	-	-	726,341	38.02%	
ASROCK EUROPE LTD.	ASROCK EUROPE B.V.	"	Sales	289,579	87.21%	本月14/90天	-	-	(223,334)	(82.64%)	
ASROCK EUROPE LTD.	ASROCK America, Inc.	"	Purchases	(1,083,198)	(44.42%)	45days from receipt of goods	-	-	332,347	35.88%	
ASROCK EUROPE LTD.	ASROCK America, Inc.	"	Purchases	(322,907)	(13.24%)	Open account 90 days	-	-	328,543	35.47%	
ASIA ROCK TECHNOLOGY LIMITED	ASROCK EUROPE LTD.	"	Purchases	1,837,448	99.19%	Open account 60 days	-	-	(1,473,764)	(99.86%)	
PEGATRON CORPORATION	ASIA ROCK TECHNOLOGY LIMITED	NOTE1	Purchases	1,347,031	99.00%	45days from receipt of goods	-	-	(1,006,909)	(99.00%)	
PEGATRON CORPORATION	ASIA ROCK TECHNOLOGY LIMITED	"	Purchases	(616,133)	(62.12%)	Open account 60 days	-	-	2,249,838	35.68%	

(Note 1) An investor company recognizes the investment income based on the equity method.
(Note 2) An investor company recognizes the investment income based on the equity method.
(Note 3) Associated company.
(Note 4) The parent company.

Table 13. (Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital)
(For the three months ended March 31, 2010)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Bad Debt
					Amount	Action Taken		
ACTION PIONEER INTERNATIONAL LTD.	Ability Enterprise Co., Ltd.	An investor company recognizes the investment income(loss) based on the equity method.	106,904	6.71 Times	-	-	-	-
AMA Technology Corporation	AMA PRECISION INC.	"	223,334	4.33 Times	-	-	-	-
ASAP INTERNATIONAL CO., LIMITED	ASUSTek Computer Inc.	The parent company.	131,096	5.21 Times	-	-	-	-
ASIROCK TECHNOLOGY LIMITED	ASROCK Incorporation	An investor company recognizes the investment income(loss) based on the equity method.	1,473,764	4.36 Times	-	-	-	14,738
ASUSPOWER CORPORATION	MAINTEK COMPUTER(SUZHOU)CO.,LTD	Associated company	1,548,719	Not applicable	-	-	-	-
"	BOARDTEK COMPUTER (SUZHOU) CO., LTD	"	2,690,484	Not applicable	-	-	-	-
"	COITEK	"	718,645	Not applicable	-	-	-	-
"	ELECTRONICS(SUZHOU)CO.,LTD	"	1,676,025	Not applicable	-	-	-	-
"	CASETEK COMPUTER (SUZHOU) CO.,LTD	"	294,221	5.31 Times	-	-	-	-
BOARDTEK (H.K.) TRADING LIMITED	ASUSTek Computer Inc.	The parent company.	1,210,596	7.13 Times	-	-	-	-
PEGATRON Czech s.r.o.	UNIHAN CORPORATION	Associated company.	3,639,299	10.74 Times	-	-	-	-
VIEWQUEST TECHNOLOGIES (BVI) INC.	Ability Enterprise Co., Ltd.	An investor company recognizes the investment income(loss) based on the equity method.	5,666,291	0.00 Times	2,773,791	Active collection	1,580,206	-
UNIHAN CORPORATION	PEGATRON Czech s.r.o.	Associated company	410,785	5.25 Times	-	-	-	-
BOARDTEK COMPUTER (SUZHOU) CO., LTD	BOARDTEK (H.K.) TRADING LIMITED	An investor company recognizes the investment income(loss) based on the equity method.	193,730	6.99 Times	-	-	-	-
"	Prottek (ShangHai) Limited	Associated company	251,268	4.36 Times	9,456	-	75,939	-
"	PEGATRON CORPORATION	An investor company recognizes the investment income(loss) based on the equity method.	233,930	4.70 Times	1,921	-	110,722	-
"	UNIHAN CORPORATION	Associated company	223,348	3.18 Times	546	-	-	-
"	ASUSTek Computer Inc.	The parent company.	46,420,583	4.88 Times	99,522	Active collection	1,840,556	-
Prottek (ShangHai) Limited	PEGATRON CORPORATION	An investor company recognizes the investment income(loss) based on the equity method.	123,467	5.83 Times	-	-	-	-
Toptek Precision Industry(Suzhou) Co., Ltd	AMA Technology Corporation	Associated company	505,604	5.88 Times	6,334	-	82,073	-
AzureWave Technologies, Inc.	Prottek (ShangHai) Limited	An investor company recognizes the investment income(loss) based on the equity method.	153,949	10.73 Times	-	-	28,451	-
"	PEGATRON CORPORATION	"	319,572	4.18 Times	144,985	Active collection	26,437	-
CASETEK COMPUTER (SUZHOU) CO.,LTD	PEGATRON Czech s.r.o.	Associated company	239,719	5.37 Times	-	-	-	-
"	Prottek (ShangHai) Limited	"	726,341	3.03 Times	78,068	Active collection	282,842	-
"	PEGATRON CORPORATION	An investor company recognizes the investment income(loss) based on the equity method.	319,342	3.52 Times	11,773	Active collection	111,437	-
AMA PRECISION INC.	UNIHAN CORPORATION	Associated company	315,528	1.01 Times	-	-	-	-
"	Toptek Precision Industry(Suzhou) Co., Ltd	An investee company accounted for under the equity method.	332,347	12.54 Times	-	-	-	-
ASROCK Incorporation	ASROCK EUROPE B.V.	"	328,543	3.35 Times	-	-	-	-
"	ASRock America, Inc.	"	-	-	-	-	-	-

(Note) To avoid the business tax being double counting, the Company has eliminated the double counting purchases/sales 2,544,291 thousands.

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Table 14 Transactions involving financial derivatives
(For the three months ended March 31, 2010)

Investee Company	Derivative financial instruments as the end of March 31, 2010	(Expressed in thousands of NT dollars/in dollars of other foreign currency)			
		Nominal Principal	Contract period(Note)	Book value	Fair value
Ability Enterprise Co., Ltd.	Currency swap contracts	USD 83,640,000	2010.03~2010.04	3,886	3,886
"	"	USD 41,550,000	2010.03~2010.04	(753)	(753)
"	Forward exchange contracts	USD 10,000,000	2010.03~2010.04	(294)	(294)
"	"	NTD 113,894	2010.03~2010.04	(164)	(164)
APLUS PRECISION (Cayman) LIMITED	"	US\$1,000,000.00	2010.09.08~2010.09.15	(US\$28,505.66)	(US\$28,505.66)
"	"	US\$1,182,692.31	2010.09.20~2010.09.24	(US\$27,255.69)	(US\$27,255.69)
"	"	US\$1,176,229.51	2010.09.20~2010.09.24	(US\$20,807.30)	(US\$20,807.30)
"	"	US\$1,000,000.00	2010.09.27~2010.10.04	(US\$10,072.52)	(US\$10,072.52)
"	"	US\$1,000,000.00	2010.09.10~2010.09.17	(US\$31,360.38)	(US\$31,360.38)
"	"	US\$2,349,377.87	2010.09.24~2010.09.27	(US\$45,514.01)	(US\$45,514.01)
"	"	US\$1,000,000.00	2010.10.05	(US\$13,164.94)	(US\$13,164.94)

(Note)The contract period of currency swap contracts and forward exchange contracts are swap during the period and the expiration date, respectively.

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Table 15 Information of investment in Mainland China
(For the three months ended March 31, 2010)

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2010	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2010	Percentage of Ownership	Investment Income (Loss) Recognized [(Note 2 - (2)]	Carrying Amount as of March 31, 2010 (Expressed in thousands of NT dollars/in dollars of other foreign currency)	Accumulated inward Remittance of Earnings as of March 31, 2010
					Outflow	Inflow					
MAINTEK COMPUTER (SUZHOU) CO., LTD. (NOTE7)	Manufacturing, developing and selling power supply units, computer cases, computer systems, notebooks, main boards, and computer peripherals, and providing after-sales service	7,269,162 USD 228,590,000	Invested through a third company to reinvest the mainland	5,655,832 USD 176,800,000	-	-	5,655,832 USD 176,800,000	100%	(125,556) (USD 53,930,269)	12,032,582 USD 378,383,096	-
Powtek (Shanghai) Limited (NOTE6)	Manufacturing, developing and selling computers, printers and electronic components, and providing after-sales service	7,409,400 USD 233,000,000	Invested through a third company to reinvest the mainland	9,852,920 USD 308,000,000	-	-	9,852,920 USD 308,000,000	100%	(765,305) (USD 23,994,506)	12,110,787 USD 380,842,352	-
LINKTEK PRECISION (SUZHOU) CO., (NOTE6)	Manufacturing and selling the connector of employees.	222,105 USD 6,984,441	Invested through a third company to reinvest the mainland	244,923 USD 7,656,224.17	-	-	244,923 USD 7,656,224.17	100%	-	-	-
ASAP TECHNOLOGY (JIANGSU), CO., LTD.	Manufacturing and selling data transit wire and cable.	459,828 USD 14,460,000	Invested through a third company to reinvest the mainland	267,264 USD 8,354,600	-	-	267,264 USD 8,354,600	59.17%	6,554 USD 205,484	557,095 USD 17,518,723	-
BOARDTEK COMPUTER (SUZHOU) CO., LTD.	Developing, manufacturing and selling new electronic components, circuit boards and relevant products, and providing after-sales service	1,653,600 USD 52,000,000	Invested through a third company to reinvest the mainland	1,663,480 USD 52,000,000	-	-	1,663,480 USD 52,000,000	100%	8,943 USD 280,379	3,173,471 USD 99,794,700	-
COTEK ELECTRONICS(SUZHOUCO.,LTD)(NOTE)	R&D, manufacturing and selling new electronic components, providing mold technology, and after-sales service	381,600 USD 12,000,000	Invested through a third company to reinvest the mainland	- USD 1	-	-	- USD 1	100%	(64,636) (USD 2,026,535)	(563,580) (USD 17,722,643)	-
RUNTOP(SHANGHAI) CO., LTD. (NOTE8)	Manufacturing and selling computer parts and peripherals of digital automatic data processors, multimedia computer system accessories, power supply units, network switches, and modems	159,000 USD 5,000,000	Invested through a third company to reinvest the mainland	234,665 USD 7,335,586	38,673 USD 1,208,896	-	273,338 USD 8,544,482	100%	773 USD 24,226	317,157 USD 9,973,495	-
Powtek (Shanghai) Co., Ltd. (NOTE8)	Selling main boards, computer peripherals, note books, servers and software, and providing after-sales service	254,400 USD 8,000,000	Invested through a third company to reinvest the mainland	420,525 USD 13,145,510	-	-	420,525 USD 13,145,510	100%	(11,271) (USD 353,371)	479,868 USD 15,090,179	-

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2. The limit of investment in Mainland China

Accumulated Investment in Mainland China as of March 31, 2010	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on Investment
18,378,282	20,922,531	55,892,887
US\$ 574,500,817	US\$ 657,941,217	

The U.S.-dollar-per-currency exchange rate of the NTD : 31.8

(Note 1) Investments in Mainland China can be conducted by the following ways:

- (1) Remitting the funds to Mainland China through a third country.
- (2) Investment through a holding company registered in a country other than Taiwan and Mainland China, which is established by the Company.
- (3) Through an existing investee set up in a third country.
- (4) Others, ex: entrusted investment.

(Note 2) Investment income(loss) for the three months ended March 31, 2010:

- (1) denotes that the investee is still in the start-up stage.
- (2) denotes the basis on which the investment income(loss) is recognized based on the investees' financial statements which were not reviewed by independent accountant.
- (Note 3) The numbers in this table should be expressed in New Taiwan dollars. The investment income(loss) and the book value at the end of this period denominated in foreign currencies are translated into New Taiwan dollars at the exchange rate prevailing on the balance sheet date.

(Note 4) The limit of investment is the higher amount among 60% of net worth or 80,000.

(Note 5) In the process of liquidation in March 2010.

(Note 6) Due to overseas organization restructuring of the group, NORTH TEC ASIA (SHANGHAI) LIMITED merged with Protek (Shanghai) Limited in 2009, the merge was approved by Administrative Bureau of Industry and Commerce and tax bureau is still under review. The investment amount remitted to NORTH TEC ASIA (SHANGHAI) LIMITED was USD40,000,000.

(Note 7) Paid-in capital includes the amount of capital increment from retained earnings USD51,790,000.

(Note 8) The remitting amount was the transactions amount transferred by other person.