Stock Code: 6223

MPI Corporation

2014 General Meeting of Shareholders

Parliamentary Procedure Handbook

Date and time: June 17 2014 (Tuesday), 10:00 am
Place: 2F, No. 26, Taiyuan Street, Zhubei, Hsinchu County
(Conference Hall, Tai Yuen Hi-Tech Industrial Park)

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MPI Corporation

2014 General Meeting of Shareholders Procedure

Date and time: June 17 2014 (Tuesday), 10:00 am

Place: 2F, No. 26, Taiyuan Street, Zhubei, Hsinchu County (Conference Hall, Tai Yuen Hi-Tech Industrial Park)

Address of the Chairman

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I. Reports

1. 2013 Operation Review

   Note: refer to Appendix I on p. 5-9 and of this handbook for information on 2013 operation review, financial report, and prospect of operation.

2. 2013 Supervisors' Report

   Note: refer to Appendix II on p. 9 of this handbook for information on 2013 Supervisors Review Report.

II. Points of ratification

Motion No. 1 Proposed by the Board

Cause of motion: propose for action in favor of the 2013 operation review and financial statements.

The content:

(I) The Board of Directors has prepared and passed the operation review and financial statements of individual entities (including the consolidated financial statements) for fiscal year 2013. The financial statements for fiscal year 2013 have been audited by Chang, Yu-Ming and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co., with the issuance of unqualified opinions, subject to the final review of the supervisors. For details, please refer to Appendix III and Appendix IV on p. 10-24 of this handbook.

(II) This motion was passed by the Board of Directors in the 3rd session of the Board in 2014.

Resolution:

Motion No. 2 Proposed by the Board

Cause of motion: Propose for action in favor of the proposal of income distribution for fiscal year 2013.

The content:

(I) MPI Corporation had corporate earnings amounting to NT$271,033,216 in fiscal year 2013. Enclosed therein is the proposal for the distribution of income. For further information, please refer to Appendix V on p. 25 of this report.

(II) In consideration of subsequent business development of the future, MPI Corporation plans to attribute NT$165,086,023 from distributable earnings as cash dividend for FY 2013 and NT$0 for stock dividend on the basis of the quantity of 78,612,392 shares outstanding on the day of the Board session. The earnings per share is tentatively set at NT$2.1.

(III) We also propose the allocation of NT$23,306,300 as employee bonuses and NT$5,826,560 as remunerations to the Directors and the Supervisors in cash.

(IV) In the event that MPI Corporation elects to repurchase outstanding shares or treasury stock for assignment to the employees, to the extent that the total quantity of outstanding shares and the dividends to shareholders are being affected, the Board shall be in session to discuss such matter for solution.

(V) This proposal was passed by the 3rd session of the Board in 2014.

(VI) In the event of difference between the estimation for employee cash bonus, stock dividend, remunerations to the Directors and the Supervisors, and recognized expenses of the year, we shall disclose the differences, the causes of the differences and solution. Please refer to Appendix V on p. 55 of this handbook.

Resolution:

III. Points of discussion

Motion No. 1: Proposed by the Board

Cause of motion: the amendment to the “Articles of Incorporation” of MPI Corporation is presented for discussion.

The content:

(I) Amendment to Article 12 and Article 22 of the “ Articles of Incorporation” of MPI Corporation pursuant to Article 14-2 of the Securities and Exchange Act. Such action is taken in compliance with the requirement of the competent authority.

(II) The mapping of the provisions of the “Articles of Incorporation” is attached for your information. Please refer to Appendix VI on p. 26 of this handbook.

(III) This motion was passed by the resolution of the Board in the 3rd session of 2014.

Resolution:

Motion No. 2: Proposed by the Board

Cause of motion: the amendment to the “Procedure for the Acquisitions and Dispositions of Assets” of MPI Corporation is presented for discussion.

The content:

(I) Amendment to the “Procedure for the Acquisitions and Disposition of Assets” was made pursuant to the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi No. 1020053073 dated December 30 2013.

(II) The mapping of the provisions in the “Procedure for the Acquisitions and Dispositions of Assets” of MPI is attached for your information. Please refer to Appendix VII on p. 27 of this handbook.

(III) This motion was passed by the resolution of the Board in the 3rd session of 2014.

Resolution:

IV. Impromptu motions

V. Adjournment of meeting

Appendix I

MPI Corporation
Operation Review

I. 2013 operation in review

(I) Business Plan and Result

In FY 2013, we had net sales amounting to NT$3,035,778 thousand, which was an increase of 6% or NT$2,865,212 thousand from the same period of 2012. Corporate earnings in FY 2013 amounted to NT$271,033 thousand or an increase of 3% of NT$261,931 thousand from the same period of 2012 with earnings per share at NT$3.52.

The pursuit of QE policy in USA and obvious global economic recovery, coupled with the positive growth in GDP in the development countries, contributed to the increase in demand for the consumption of consumer eletronics. Accordingly, capital expenditure in the semiconductor sector sustained growth, to the extent that such growth in the semiconductor sector in 2014 to 2015 will be much better than before at the global level. In the quest for global energy saving, LEDs emerged as the policy guideline for most countries. It is expected that the LED industry will move towards another cycle of capital spending. We will continue to commit our resource in research and development and maintain the competitive power of the company through ceaseless innovation. In the area of the research and development of advanced technologies, our new products have successfully penetrated into the supply chain of a world-class company in 2013. The OEM production of wafer foundries in Taiwan and the world will have sizable capital spending in 2014-2015. This will be improved by the increase in purchase orders from Northeast Asia with Taiwan, which adds to the momentum of further growth. As such, the growth in the demand for wafer prober cards could be anticipated. In the testing application of LED, we have successfully developed the fully automated high-speed integrated wafer testing device. This device is in conformity to the requirement of the customers in flip-chip encapsulation and high-precision optometric testing. At the same time, we will also continue to develop different testing equipment and devices in LED pinnacle test, sorting, and encapsulation to the needs of the customers. Further to our upgrade in favor of the testing capacity of our customers, we also contribute to the competitiveness of the customers. This product line will be essential for our growth in the future.

2013 was clouded by the slow GDP growth worldwide and the decline of consumption power in Europe. In 2012, the slow pace of global economic recovery was coupled with the proactive expansion of production capacity of LEDs in China. This resulted in excessive supply and development was not as expected. Accordingly, our profitability was hampered too. Yet, we continued our effort in committing our resources to research and development and fortified our competitive power through innovation. In the research and development of new technologies, we have successfully developed the single card 20000 pins multiple simultaneous wafer prober card in 2012 to satisfy the sophisticated needs in IC signals, power source, and functions.

The OEM production foundries of Taiwan had sizable growth in capital expenditure in 2013-2014. The increase orders from overseas to the encapsulation and testing industry provides a platform of highly anticipated growth in the future. Likewise, the growth in the demand for wafer prober in the future can be anticipated. In the testing of LEDs, we have successfully developed the fully automated die prober and will continue to improve the function of the die sorting devices. In the encapsulation of LEDs, the company will continue to develop different test equipment and devices. In addition to upgrading the function of testing for the customers, the company can also assist the customer to find out solution for encapsulation and testing. With the growth in the demand for LED application, this product line will be the prime force driving corporate development of the company.

(II) Revenue and profitability analysis

Currency unit: in NTD 1,000

Title \ Fiscal year			FY 2012	FY 2013	Change (%)
Revenue	Nets sales		2,865,212	3,035,778	5.95%
	Gross profit		1,313,125	1,401,426	6.72%
	Post-tax profit or loss		261,931	271,033	3.47%
Profitability	ROA (%)		5.46	5.70	4.40%
	ROE (%)		8.65	8.96	3.58%
	Operating Income to Paid-in capital ratio (%)		37.37	42.43	13.54%
	EBT to Paid-in capital ratio (%)		37.88	41.56	9.71%
	Net profit ratio (%)		9.14	8.93	-2.30%
	EPS (NTD)	Cum right	3.40	3.52	3.53%
		Ex right	3.40	3.52	3.53%

(III) Research and development

Research and development findings in 2013:

1. Precision automated equipment:

A. White LED chip probing test equipment

B. Fully automated LED die testing equipment

C. Fully automated LED encapsulation and testing products

2. Probe Card:

A. Integrated probe card applicable to CIS

B. High-frequency and high-speed probe card

II. Summary of 2014 Business Plan

(I) Business Policy

In light of the development of the semiconductor industry and the LED industry, and the technology requirements in the future，MPI Corporation undertakes the following strategic planning and commits its effort to sustain its competitive advantage:

1. Further investment in research and development:

A. The increasing demand of portable smart devices and the wearable applications dictated for the development of wafer grade micro-distance testing technology for meeting the technological needs of the future.

B. Development of low resistance probe card to meet the demand for the testing of low power products.

C. Continue the development of multiple functions and performance testing and inspection equipment to meet the testing needs of LED customers in the future, and continue to provide customers viable solutions.

2. Extension of the product market:

Development of engineering use inspection and testing products for the semiconductor industry with the core technology of automation on hand.

(II) Vital production and sales policies

MPI Corporation will continue to strengthen its capacity in overseas service in order to further develop its business and fortify its competitiveness, as well as extend its business territories overseas. This will help to provide fast and complete technology services to the customers and hence to increase the market share the extent to which risk can be diversified. MPI Corporation will maintain its corporate philosophy of assisting its customers to upgrade their competitive power thereby positions the customers as its technology joint venture partners. MPI Corporation will provide customers with good quality products and timely technology service, which remains its vital production and sales policy. MPI Corporation expects to optimize return on investment to the shareholders and creates the best business opportunity and work environment for all employees.

III. The development strategy of the future

(I) In response to the gradual introduction of the 4”~6” process of the LED customers, MPI Corporation will continue its effort in further vitalizing the functions of the prober and sorting devices to satisfy the testing and sorting needs of the customers.

(II) Development of the semiconductor market with its core technology in automation and develop different extensions of products.

(III) In responding to the needs of the consumers for slim, light, and small size products, MPI Corporation develops micro-distance probe card and high-frequency probers to upgrade the frequency in testing and efficiency for customer needs and competitiveness.

IV. The effect of the external competitive, legal and macroeconomic environment

The macroeconomy at the global level was influenced by the QE policy of the USA and Europe and regional economic recovery was obvious. Although the GDP growth in China fell below average, and political instability clouded Eastern Europe and Northeast Asia, the macroeconomic situation worldwide is still promising. Under the efforts of almost all governments of the world, carbon reduction and energy efficiency is an irreversible course of industrial development at the global level. MPI Corporation spares no effort in research and development, and never ceases to provide customers fast, efficient, and energy saving solutions. Indeed, this is the unchanged policy line and principle of the company. With continued improvement, MPI Corporation not only just seeks to withstand the competition in the external environment, but rather to satisfy to needs of its customers and create value of long-term investment in favor of the shareholders.

I wish you all joy and the best of luck.

Steve Chen, CEO

Scott Kuo, President

Rose Jao, Chief Accounting Officer

Appendix II

MPI Corporation

Supervisors Review Report

To: MPI Corporation 2014 General Meeting of Shareholders

Date: March 28 2014

The Board of Directors prepared the financial statements of the parent company only and the consolidated financial statements of the parent company only for FY 2013. These statements were audited by Chang, Yu-Ming and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co., and can fairly present the financial position, operation result and cash flows of the company. We have reviewed the operation report and the proposal of income distribution, and found such reports and proposal fully justifiable. Pursuant to Article 219 of the Company Act and Article 36 of the Securities and Exchange Act, we hereby report as stated.

Supervisors: Li, Tu-Cheng;

Liu, Fang-Sheng;

Tsai, Chang-Shou;

Appendix III

Auditors' Report

To: **MPI Corporation**

We have audited the balance sheets of **MPI Corporation** prepared on December 31 2013, December 31 2012, and January 1 2012 on the parent company only, and the consolidated income statements, statement of changes in shareholders' equity and statements of cash flows of the parent company only covering FY 2013 and January 1 to December 31, 2013. The financial statements are the responsibility of the management. Our responsibility is to express an opinion on the financial statements based on our audits. As stated in note VI (VI) to the financial statements, information on the long-term investments of **MPI Corporation** accounted for under the equity method covering the period of 2013 and 2012, and the information on direct investment as disclosed in note XIII are valuated under the equity method as audited by other public accountants. We have not audited on those financial statements, which indicated recognized loss of NT$150 thousand and NT$11,314 thousand, respectively. As of December 31 2013, December 31 2012 and January 1 2012, MPI Corporation had the balance in long-term investments accounted for under the equity method amounted to NT$25,188 thousand, NT$24,697 thousand and NT$26,973 thousand.

We conducted the audit in accordance with the "Standards on the Audit of Financial Statements" and the accounting principle generally accepted in the Republic of China. These principle and standards required the undersigned to plan and perform the audit to obtain reasonable assurance about whether the individual financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in financial statements of individual entities and in consolidation. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believed that our audits provide a reasonable basis for our opinion.

In our opinion, the individual financial statements as referred to, on the basis of our audits and the audit reports of other public accountants, and present fairly, in all material aspects of the financial of MPI Corporation as of December 31 2013, December 31 2012, and January 1 2012, and the results of its operation and cash flows of all entities for the periods then ended in conformity with the "Criteria for the Compilation of Financial Statements by Issuers of Securities".

Auditor: ______________________

Chang, Yu-Ming, CPA

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Chen, Shih-Yuan, CPA

Nexia Sun Rise CPAs & Co.

SFB Certificate No.: (86) Tai-Chi-Zheng (VI) No. 088087
SFB Certificate No.: (92) Tai-Chi-Zheng (VI) No. 101109

Date: March 28 2014

MPI Corporation

Parent Company Only Balance Sheet (assets)

December 31 2013, December 31 2012, and January 1 2012

Currency unit: in NTD 1,000

Code	Assets	Note	December 31 2013 Amount	%	December 31 2012 Amount	%	January 1 2012 Amount	%
	Current assets							
1100	Cash and cash equivalents	VI (I)	$ 417,949	9	$ 433,167	9	$ 776,311	16
1150	Net note receivables	VI (II)	4,432	-	4,770	-	17,208	-
1160	Note receivables –related parties-net	VI (III) and VII	5,365	-	1,721	-	5,120	-
1170	Net account receivables	VI(III)	429,643	9	575,071	12	475,215	10
1180	Account receivables –related parties-net	VI (III) and VII	61,278	1	81,455	2	64,411	1
1200	Other receivables		5,570	-	667	-	5,055	-
1210	Other receivables-related parties	VII	4,007	-	1,028	-	700	-
130X	Net inventory	VI (IV)	1,424,116	31	1,459,030	31	1,488,581	31
1410	Prepayments		63,648	1	69,605	1	71,537	2
1470	Other current assets	VIII	17,589	1	15,659	1	136,289	3
11XX	Total current assets		2,433,597	52	2,642,173	56	3,040,427	63
	Non-current assets							
1543	Financial assets on the basis of cost-non-current	VI (V)	20,231	1	20,231	1	20,231	-
1550	Investment accounted for under the equity method	VI (VI)	449,137	10	430,416	9	482,946	10
1600	Real properties, plants and equipment	VI (VII), VII, and VIII	1,545,879	34	1,481,668	31	1,141,255	24
1780	Intangible assets	VI (VIII)	17,971	-	20,609	-	13,170	-
1840	Deferred income tax assets		32,707	1	35,581	1	30,377	1
1900	Other non-current assets		106,166	2	104,201	2	87,978	2
15XX	Total non-current assets		2,172,091	48	2,092,706	44	1,775,957	37
1XXX	Total assets		$ 4,605,688	100	$ 4,734,879	100	$ 4,816,384	100

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

MPI Corporation

Parent Company Only Balance Sheet (Liabilities and Shareholders' Equity)

December 31 2013, December 31 2012, and January 1 2012

Currency unit: in NTD 1,000

Code	Liabilities and Shareholders' Equity	Note	December 31 2013 Amount	%	December 31 2012 Amount	%	January 1 2012 Amount	%
	Current Liabilities							
2100	Short-term loans	VI (IX)	$ -	-	$ -	-	$ -	-
2150	Note payables		-	-	1,110	-	1,119	-
2170	Account payables		371,888	8	377,089	8	433,868	9
2180	Account payables-related parties	VII	2,648	-	6,370	-	1,497	-
2213	Payables for equipment		16,983	1	37,913	1	13,408	-
2219	Other payables	VI (X)	345,844	9	308,620	7	320,829	7
2220	Other payables –related parties	VII	36,963	1	38,473	1	146,534	3
2230	Current income tax liabilities		43,588	1	38,426	1	52,938	1
2250	Provision for liabilities –current	VI (XI)	9,645	-	17,379	-	13,491	-
2310	Cash on receipt	VII	606,969	13	822,774	17	645,685	14
2320	Current portion of long-term debts	VI (XII)	9,329	-	9,329	-	9,329	-
2399	Other current liabilities		12,956	-	9,782	-	7,713	-
21XX	Total current liabilities		1,456,813	33	1,667,265	35	1,646,411	34
	Non-current liabilities							
2540	Long-term loans	VI (XII)	67,624	1	76,953	2	86,282	2
2570	Deferred income tax liabilities		7,513	-	7,005	-	10,852	-
2640	Accruable pension liabilities	VI (XIII)	18,029	-	20,558	-	15,767	-
2670	Other non-current assets- others		98	-	150	-	122	1
25XX	Total non-current liabilities		93,264	1	104,666	2	113,023	3
2XXX	Total liabilities		1,550,077	34	1,771,931	37	1,759,434	37
	Shareholders' equity	VI (XIV)						
3110	Common stock equity		786,124	17	786,104	17	786,024	16
3200	Capital Surplus		740,781	16	740,657	16	740,116	15
	Retained earnings							
3310	Legal reserve		383,839	8	355,530	7	292,154	6
3320	Special reserve		17,571	-	-	-	-	-
3350	Undistributed earnings		1,254,511	27	1,221,556	26	1,374,452	29
3300	Total retained earnings		1,655,921	35	1,577,086	33	1,666,606	35
	Other equities							
3410	Exchange gain/loss from financial statements of overseas operations through conversion		25,391	1	11,707	-	16,810	-
3400	Total other equities		25,391	1	11,707	-	16,810	–
3500	Treasury stocks		(152,606)	(3)	(152,606)	(3)	(152,606)	(3)
3XXX	Total shareholders' equity		3,055,611	66	2,962,948	63	3,056,950	63
1XXX	Total liabilities and shareholders' equity		$ 4,605,688	100	$ 4,734,879	100	$ 4,816,384	100

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen　　President: Scott Kuo　　Chief Accounting Officer: Rose Jao

MPI Corporation

Parent Company Only Consolidated Income Statement

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Code	Title	Note	FY 2013 Amount	FY 2013 %	FY 2012 Amount	FY 2012 %
	Net Sales	VII				
4110	Sales revenue		$ 2,751,416	99	$ 2,650,211	99
4170	Less: sales return		(480)	-	(11,102)	(1)
4190	Less: sales discount		(579)	-	(5,706)	-
4614	Commission income		36,770	1	45,080	2
4000	Subtotal of net sales		2,787,127	100	2,678,483	100
5000	Cost of operation	VI(IV) and VII	(1,494,459)	(54)	(1,441,213)	(54)
5900	Gross profit		1,292,668	46	1,237,270	46
5910	Unrealized income(loss) from sales		(864)	-	(2,961)	-
5920	Realized income (loss) from sales		2,937	-	3,931	-
5950	Net gross profit		1,294,741	46	1,238,240	46
	Operating expenses	VII				
6100	Marketing expenses		(286,963)	(10)	(267,992)	(10)
6200	Management expenses		(143,594)	(5)	(116,944)	(4)
6300	R&D expenses	VI (VIII)	(550,451)	(20)	(544,180)	(20)
6000	Subtotal operating expenses		(981,008)	(35)	(929,116)	(34)
6900	Operating income		313,733	11	309,124	12
	Non-operating incomes and expenses					
7020	Other net incomes and loss	VI(XVI)	8,445	1	(9,268)	-
7050	Cost of financing	VI(XVI)	(546)	-	(440)	-
7070	Net portions of incomes/loss of subsidiaries, affiliated and joint ventures accounted for under the equity method	VI(VI)	(11,723)	-	(43,771)	(2)
7100	Interest income		912	-	3,522	-
7110	Rental income		7,568	-	8,051	-
7175	Income from reversal of doubtful accounts		-	-	19,825	1
7190	Other incomes – others	VII	2,857	-	4,609	-
7000	Subtotal non-operating incomes and expenses		7,513	1	(17,472)	(1)
7900	Earnings before taxation		321,246	12	291,652	11
7950	Income tax expense	VI(XVII)	(50,213)	(2)	(29,721)	(1)
8200	Earnings in current period		271,033	10	261,931	10
	Other consolidated income/loss					
8310	Exchange gain/loss from financial statements of overseas operations through conversion		1,925	-	(197)	-
8360	Confirmed actuarial gain/loss of welfare		(672)	-	(6,727)	(1)
8371	Net portions of incomes/loss of affiliates and joint ventures accounted for under the equity method		11,759	-	(4,906)	-
8300	Other net consolidated incomes		13,012	-	(11,830)	(1)
8500	Consolidated income in current period (total)		$ 284,045	10	$ 250,101	9
	Earnings per common share: (Unit: NTD)	VI(XVIII)	Before taxation		After taxation	
9750	Basic earnings per share		$ 3.54		$ 3.42	
9850	Diluted earnings per share		$ 3.52		$ 3.40	

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

MPI Corporation

Parent Company Only Statement of Changes in Shareholders’ Equity

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Title	Code	Capital Stock: Common shares	Retained Earnings	Retained Earnings: Legal Reserve	Retained Earnings: Special Reserve	Retained Earnings: Undistributed Earnings	Other Equities: Exchange gain/loss from financial statements of overseas operations through conversion	Treasury Stock	Total Equity
	Code	3110	3,200	3310	3320	3350	3420	3500	31xx
Balance on January 1 2012	A1	$ 786,024	$ 740,116	$ 292,154	$ -	$ 1,374,452	$ 16,810	$ (152,606)	$ 3,056,950
Allocation and distribution of earnings:									–
Legal reserve	B1			63,376		(63,376)			
Cash dividend for common shares	B5					(344,724)			(344,724)
Net profit in Jan 1 –Dec 31, 2012	D1					261,931			261,931
Other consolidated incomes in Jan 1 –Dec 31, 2012	D3					(6,727)	(5,103)		(11,830)
Total consolidated income in current period	D5	-	-	-	-	255,204	(5,103)	-	250,101
Payment transactions on the basis of shares	N1	80	541						621
Balance on December 31 2012	Z1	$ 786,104	$ 740,657	$ 355,530	$ -	$ 1,221,556	$ 11,707	$ (152,606)	$ 2,962,948
Balance on January 1 2013	A1	$ 786,104	$ 740,657	$ 355,530	$ -	$ 1,221,556	$ 11,707	$ (152,606)	$ 2,962,948
Allocation and distribution of earnings:									
Legal reserve	B1			28,309		(28,309)			–
Special reserve	B3				17,571	(17,571)			–
Cash dividend for common shares	B5					(191,526)			(191,526)
Changes in other capital surplus:									
From gift and derivatives	C3		1					(1)	
Net profit in Jan 1 –Dec 31, 2013	D1					271,033			271,033
Other consolidated incomes in Jan 1 –Dec 31, 2013	D3					(672)	13,684		13,012
Total consolidated income in current period	D5	-	-	-	-	270,361	13,684	-	284,045
Cancellation of treasury stock	L3	-	-					1	1
Payment transactions on the basis of shares	N1	20	123						143
Balance on December 31 2013	Z1	$ 786,124	$ 740,781	$ 383,839	$ 17,571	$ 1,254,511	$ 25,391	$ (152,606)	$ 3,055,611

(The notes to this statement and the Auditors’ Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

MPI Corporation

Parent Company Only Statement of Cash Flows

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Code	Title	FY 2013	FY 2012
AAAA	Cash flows from operation – indirect approach	$ 321,246	$ 291,652
A10000	Corporate earnings in current period		
A20000	Adjustments		
A20010	Income/expenses unaffected by cash flows		
A20100	Depreciations expense	104,491	81,513
A20200	Amortizations expense	31,835	31,115
A20300	Provisions (reversal) of doubtful accounts	4,206	(19,825)
A20900	Interest expenses	546	440
A21200	Interest incomes	(912)	(3,522)
A21300	Dividend incomes	-	84,707
A22400	Portions of gain/loss from subsidiaries, affiliates, and joint ventures accounted for under the equity method	11,723	43,771
A22500	Capital gains/loss from dispositions and scrap of real properties, plants and equipment	(120)	300
A22600	Real properties, plant, and equipment recognized as expenses	116	15
A23900	Unrealized gain/loss from sales	864	2,961
A24000	Realized gain/loss from sales	(2,937)	(3,931)
A29900	Others – exchange gain/loss from prepayment for purchase of equipment	737	213
A30000	Changes in assets/liabilities related to operations		
A31000	Net changes in assets related to operations		
A31130	Decrease (increase) of note receivables	392	12,521
A31140	Decrease (increase) of note receivables – related parties	(3,644)	3,399
A31150	Decrease (increase) of account receivables	151,462	(103,348)
A31160	Decrease (increase) of account receivables –related parties	20,574	(17,026)
A31180	Decrease (increase) of other receivables	(4,958)	4,221
A31190	Decrease (increase) of other receivables – related parties	(2,979)	(328)
A31200	Decrease (increase) of inventory	34,914	29,551
A31230	Decrease (increase) of prepayments	5,957	1,931
A31240	Decrease (increase) of other current assets	(909)	(3,563)
A31990	Decrease (increase) of other operating assets	(10,691)	23,216
A32000	Net changes in liabilities related to operations		
A32130	Decrease (increase) of note payables	(1,110)	(10)
A32150	Decrease (increase) of account payables	(5,202)	(56,779)
A32160	Decrease (increase) of account payables –related parties	(3,722)	4,873
A32180	Decrease (increase) of other payables	(154,290)	(356,921)
A32190	Decrease (increase) of other payables – related parties	(1,510)	(108,061)
A32200	Increase (decrease) of provisions for debts	(7,734)	3,888
A32210	Increase (decrease) of cash on receipt	(215,805)	177,090
A32230	Increase (decrease) of other current liabilities	3,173	2,069
A32240	Increase (decrease) of accruable pensions	(2,945)	(2,867)
A33000	Cash inflows (outflows) from operation	272,768	123,265
A33100	Collected interest	967	3,689
A33300	Paid interest	(558)	(452)
A33500	Paid income tax	(41,667)	(53,285)
AAAA	Net cash inflows (outflows) from operations	231,510	73,217
BBBB	Cash flows from investments		
B01800	Investment accounted for under the equity method	(14,942)	(79,148)
B02700	Acquisition of real properties, plants, and equipment	(206,418)	(397,984)
B02800	Disposition of real properties, plants, and equipment	16,054	35
B04500	Acquisition of intangible assets	(9,656)	(18,987)
B06500	Increase of other financial assets	(1,021)	-
B06600	Decrease of other financial assets	-	124,194
B06700	Increase of other non-current assets	(21,507)	(35,791)
BBBB	Net cash inflows (outflows) from investments	(237,490)	(407,681)

(To be continued)

MPI Corporation

Parent Company Only Statement of Cash Flows (continued from previous page)

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Code	Title	FY 2013	FY 2012
CCCC	Cash flow from financing		
C01700	Retirement of long-term loans	(9,328)	(9,328)
C04400	Decrease of other non-current liabilities	(53)	27
C04800	Exercise of Employee Stock Options	143	621
CCCC	Net cash inflows (outflows) from financing	(9,238)	(8,680)
EEEE	Increase (decrease) of cash and cash equivalents in current period	(15,218)	(343,144)
E00100	Balance of cash and cash equivalents at beginning of period	433,167	776,311
E00200	Balance of cash and cash equivalents at ending of period	$ 417,949	$ 433,167

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

Appendix IV

Auditors' Report

To: **MPC Corporation:**

We have audited the balance sheets of **MPI Corporation and subsidiaries** prepared on December 31 2013, December 31 2012, and January 1 2012 on individual entities, and the consolidated income statements, consolidated statement of changes in shareholders' equity and consolidated statements of cash flows covering FY 2013 and January 1 to December 31, 2013. The financial statements are the responsibility of the management. Our responsibility is to express an opinion on the financial statements based on our audits. Information on the subsidiaries of **MPI Corporation** included in the aforementioned statements covering the period of 2013 and 2012, and the information on direct investment as disclosed in note XIII are valuated as audited by other public accountants. We have not audited those financial statements, which indicated recognized total assets of NT$52,125 thousand, NT$45,683 thousand, and NT$49,362 thousand or accounted for 1.11%, 0.95%, and 1.03% of the consolidated total assets as of December 31 2013, December 31 2012, and January 1 2012, respectively. As of January 1 to December 31, 2013 and 2012, MPI Corporation had net sales amounted to NT$52,221 thousand and NT$32,280 thousand, or accounted for 1.72% and 1.13% of the consolidated net sales, respectively.

We conducted the audit in accordance with the "Standards on the Audit of Financial Statements" and the accounting principle generally accepted in the Republic of China. These principle and standards required the undersigned to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in financial statements of individual entities and in consolidation. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believed that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements as referred to, on the basis of our audits and the audit reports of other public accountants, as stated in the first paragraph, are present fairly, in all material aspects of the financial of **MPI Corporation and subsidiaries** as of December 31 2013, December 31 2012, and January 1 2012, and the results of January 1 to December 31, 2013 and 2012 operation and cash flows of all entities in consolidation for the periods then ended in conformity with the “Criteria for the Compilation of Financial Statements by Issuers of Securities”, the IFRS, international accounting standards, interpretation and the statements of interpretation recognized by Financial Supervisory Commission.

We hereby express an unqualified opinion in favor of **MPI Corporation** on the financial statements of the parent company only so prepared for 2013 and 2012.

Auditor: ______________________

Chang, Yu-Ming, CPA

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Chen, Shih-Yuan, CPA

Nexia Sun Rise CPAs & Co.

SFB Certificate No.: (86) Tai-Chi-Zheng (VI) No. 088087
SFB Certificate No.: (92) Tai-Chi-Zheng (VI) No. 101109

Date: March 28 2014

MPI Corporation

Consolidated Balance Sheet (Assets)

December 31 2013, December 31 2012, January 1 2012

Currency unit: in NTD 1,000

Code	Assets	Note	December 31 2013 Amount	%	December 31 2012 Amount	%	January 1 2012 Amount	%
	Current assets							
1100	Cash and cash equivalents	VI (I)	$ 623,796	13	$ 602,904	13	$ 951,369	20
1150	Net note receivables	VI (II)	17,555	1	5,585	-	20,817	-
1170	Net account receivables	VI(III)	510,531	11	637,283	13	535,835	11
1180	Account receivables –related parties-net	VI (III) and VII	41,113	1	76,066	2	49,578	1
1200	Other receivables		7,468	-	3,149	-	3,829	-
1220	Other receivables-related parties		10	-	24	-	77	-
130X	Net inventory	VI (IV)	1,498,928	32	1,538,839	32	1,513,360	32
1410	Prepayments		97,195	2	70,763	1	68,619	1
1470	Other current assets	VIII	12,615	-	18,331	1	151,179	4
11XX	Total current assets		2,809,211	60	2,952,944	62	3,294,663	69
	Non-current assets							
1543	Financial assets on the basis of cost-non-current	VI (V)	20,231	-	20,231	-	20,231	-
1550	Investment accounted for under the equity method	VI (VI)	126,332	3	138,067	3	129,295	3
1600	Real properties, plants and equipment	VI (VII), VII, and VIII	1,590,963	34	1,531,677	32	1,191,820	25
1780	Intangible assets	VI (VIII)	17,977	-	20,620	0	13,186	-
1840	Deferred income tax assets		33,324	1	36,531	1	33,742	1
1900	Other non-current assets		117,537	2	116,167	2	104,969	2
15XX	Total non-current assets		1,906,364	40	1,863,293	38	1,493,243	31
1XXX	Total assets		$ 4,715,575	100	$ 4,816,237	100	$ 4,787,906	100

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

MPI Corporation

Consolidated Balance Sheet (Liabilities and Shareholders' Equity)

December 31 2013, December 31 2012, and January 1 2012

Currency unit: in NTD 1,000

Code	Liabilities and Shareholders' Equity	Note	December 31 2013 Amount	%	December 31 2012 Amount	%	January 1 2012 Amount	%
	Current Liabilities							
2100	Short-term loans	VI (IX)	$ 4,265	-	$ -	-	$ -	-
2150	Note payables		2,052	-	3,655	-	3,156	-
2170	Account payables		392,844	9	405,080	8	462,268	10
2180	Account payables-related parties	VII	2,107	-	1,717	-	899	1
2213	Payables for equipment		16,983	1	37,913	1	13,509	1
2219	Other payables	VI (X)	356,945	8	323,439	7	347,728	7
2220	Other payables –related parties	VII	7,551	-	11,485	-	8,592	-
2230	Current income tax liabilities		44,238	1	40,798	1	70,095	1
2250	Provision for liabilities –current	VI (XI)	9,645	-	17,379	-	13,491	-
2310	Cash on receipt	VII	673,907	14	857,228	18	647,982	14
2320	Current portion of long-term debts	VI (XII)	9,329	-	9,329	-	9,329	-
2399	Other current liabilities		20,013	1	15,991	-	12,551	-
21XX	Total current liabilities		1,539,879	33	1,724,014	35	1,589,600	34
	Non-current liabilities							
2540	Long-term loans	VI (XII)	67,624	1	76,953	2	86,282	2
2570	Deferred income tax liabilities		15,254	-	12,808	-	15,925	-
2640	Accruable pension liabilities	VI (XIII)	19,959	1	22,899	1	19,063	-
2670	Other non-current assets- others		220	-	150	-	2,104	-
25XX	Total non-current liabilities		103,057	2	112,810	3	123,374	2
2XXX	Total liabilities		1,642,936	35	1,836,824	38	1,712,974	36
	Shareholders' Equity	VI (XIV)						
31XX	Shareholders' equity attributable to parent company							
3110	Common stock equity		786,124		786,104	16	786,024	16
3200	Capital Surplus		740,781	16	740,657	15	740,116	16
	Retained earnings							
3310	Legal reserve		383,839	8	355,530	8	292,154	6
3320	Special reserve		17,571		-	-	-	
3350	Undistributed earnings		1,254,511	27	1,221,556	25	1,374,452	29
3300	Total retained earnings		1,655,921	35	1,577,086	33	1,666,606	35
	Other equities							
3410	Exchange gain/loss from financial statements of overseas operations through conversion		25,391	-	11,707	1	16,810	-
3400	Total other equities		25,391	-	11,707	1	16,810	-
3500	Treasury stocks		(152,606)	(3)	(152,606)	(3)	(152,606)	(3)
31XX	Total shareholders' equity attributable to parent company		3,055,611	65	2,962,948	62	3,056,950	64
36XX	Uncontrolled equity		17,028	-	16,465	-	17,982	-
3XXX	Total shareholders' equity		3,072,639	65	2,979,413	62	3,074,932	64
1XXX	Total liabilities and shareholders' equity		$ 4,715,575	100	$ 4,816,237	100	$ 4,787,906	100

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen　　President: Scott Kuo　　Chief Accounting Officer: Rose Jao

MPI Corporation

Consolidated Income Statement

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Code	Title	Note	FY 2013 Amount	FY 2013 %	FY 2012 Amount	FY 2012 %
	Net Sales	VII				
4110	Sales revenue		$ 2,987,419	98	$ 2,806,313	98
4170	Less: sales return		(774)	-	(10,922)	(1)
4190	Less: sales discount		(579)	-	(4,718)	-
4614	Commission income		49,712	2	74,539	3
4000	Subtotal of net sales		3,035,778	100	2,865,212	100
5000	Cost of operation	VI (IV) and VII	(1,634,352)	(54)	(1,552,087)	(54)
5900	Gross profit		1,401,426	46	1,313,125	46
5910	Unrealized income(loss) from sales		-	-	(744)	-
5920	Realized income (loss) from sales		2,895	-	3,931	-
5950	Net gross profit		1,404,321	46	1,316,312	46
	Operating expenses	VII				
6100	Marketing expenses		(337,705)	(11)	(292,818)	(10)
6200	Management expenses		(182,865)	(6)	(185,689)	(7)
6300	R&D expenses	VI (VIII)	(550,203)	(18)	(544,006)	(19)
6000	Subtotal operating expenses		(1,070,773)	(35)	(1,022,513)	(36)
6900	Operating income		333,548	11	293,799	10
	Non-operating incomes and expenses					
7020	Other net incomes and loss	VI (XVI)	11,160	-	(14,168)	-
7050	Cost of financing	VI (XVI)	(750)	-	(440)	-
7060	Net portions of incomes/loss of subsidiaries, affiliated and joint ventures accounted for under the equity method		(27,099)	-	(23,517)	(1)
7100	Interest income		2,462	-	4,599	-
7110	Rental income		3,906	-	4,382	-
7175	Income from reversal of doubtful accounts		-	-	20,972	1
7190	Other incomes – others	VII	3,372	-	4,630	-
7000	Subtotal non-operating incomes and expenses		(6,949)	-	(3,542)	-
7900	Earnings before taxation		326,599	11	290,257	10
7950	Income tax expense	VI (XVII)	(55,666)	(2)	(35,869)	(1)
8200	Earnings in current period		270,933	9	254,388	9
	Other consolidated income/loss					
8310	Exchange gain/loss from financial statements of overseas operations through conversion		14,593	-	(4,266)	-
8360	Confirmed actuarial gain/loss of welfare		(672)	-	(6,727)	(1)
8371	Net portions of incomes/loss of affiliates and joint ventures accounted for under the equity method		(246)	-	(108)	-
8300	Other net consolidated incomes		13,675	-	(11,101)	(1)
8500	Consolidated income in current period (total)		$ 284,608	9	$ 243,287	8
	Net gain/loss attributable to					
8610	Parent company shareholders		271,033	9	261,931	9
8620	Uncontrolled equity		(100)	-	(7,543)	-
	Corporate earnings in current period		$ 270,933	9	$ 254,388	9
	Consolidated income attributable to					
8710	Parent company shareholders		$ 284,045	9	$ 250,101	9
8720	Uncontrolled equity		563	-	(6,814)	(1)
	Total consolidated income in current period		$ 284,608	9	$ 243,287	8
	Earnings per common share: (Unit: NTD)	VI (XVIII)	Before taxation		After taxation	
9750	Basic earnings per share		$ 3.54		$ 3.42	
9850	Diluted earnings per share		$ 3.52		$ 3.40	

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen President: Scott Kuo Chief Accounting Officer: Rose Jao

MPI Corporation

Parent Company Only Statement of Changes in Shareholder's Equity

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Title	Code	Capital Stock: Common shares	Retained Earnings	Retained Earnings: Legal Reserve	Retained Earnings: Special Reserve	Retained Earnings: Undistributed Earnings	Other Equities: Exchange gain/loss from financial statements of overseas operations through conversion	Treasury Stock	Total Equity	Uncontrolled equity	Total equity
		3110	3,200	3310	3320	3350	3410	3500	31xx	36xx	3xxx
Balance on January 1 2012	A1	$ 786,024	$ 740,116	$ 292,154	$ -	$ 1,374,452	$ 16,810	$ (152,606)	$ 3,056,950	$ 17,982	$ 3,074,932
Allocation and distribution of earnings:											
Legal reserve	B1			63,376		(63,376)			–		–
Cash dividend for common shares	B5					(344,724)			(344,724)		(344,724)
Net profit in Jan 1 –Dec 31, 2012	D1					261,931			261,931	(7,543)	254,388
Other consolidated incomes in Jan 1 –Dec 31, 2012	D3					(6,727)	(5,103)		(11,830)	729	(11,101)
Total consolidated income in current period	D5	–	–	–	–	255,204	(5,103)	–	250,101	(6,814)	243,287
Payment transactions on the basis of shares	N1	80	541						621		621
Decrease (increase) of non-controlling interests	01									5,297	5,297
Balance on December 31 2012	Z1	$ 786,104	$ 740,657	$ 355,530	$ -	$ 1,221,556	$ 11,707	$ (152,606)	$ 2,962,948	$ 16,465	$ 2,979,413
Balance on January 1 2013	A1	$ 786,104	$ 740,657	$ 355,530	$ -	$ 1,221,556	$ 11,707	$ (152,606)	$ 2,962,948	$ 16,465	$ 2,979,413
Allocation and distribution of earnings:											
Legal reserve	B1			28,309		(28,309)			–		–
Special reserve	B3				17,571	(17,571)			–		–
Cash dividend for common shares	B5					(191,526)			(191,526)		(191,526)
Changes in other capital surplus:											
From gift and derivatives	C3		1					(1)	–		–
Net profit in Jan 1 –Dec 31, 2013	D1					271,033			271,033	(100)	270,933
Other consolidated incomes in Jan 1 –Dec 31, 2013	D3					(672)	13,684		13,012	633	13,675
Total consolidated income in current period	D5	–	–	–	–	270,361	13,684	–	284,045	563	284,608
Cancellation of treasury stock	L3	–	–					1	1		1
Payment transactions on the basis of shares	N1	20	123						143		143
Balance on December 31 2013	Z1	$ 786,124	$ 740,781	$ 383,839	$ 17,571	$ 1,254,511	$ 25,391	$ (152,606)	$ 3,055,611	$ 17,028	$ 3,072,639

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen   President: Scott Kuo   Chief Accounting Officer: Rose Jao

MPI Corporation

Consolidated Statement of Cash Flows

January 1 to December 31, 2013 and 2012

Currency unit: in NTD

Code	Title	FY 2013	FY 2012
AAAA	Cash flows from operation – indirect approach		
A10000	Corporate earnings in current period	$ 326,599	$ 290,257
A20000	Adjustments		
A20010	Income/expenses unaffected by cash flows		
A20100	Depreciations expense	112,482	88,703
A20200	Amortizations expense	31,843	31,122
A20300	Provisions (reversal) of doubtful accounts	7,452	(20,972)
A20900	Interest expenses	750	440
A21200	Interest incomes	(2,462)	(4,599)
A21300	Dividend incomes	6,953	5,621
A22300	Portions of gain/loss from subsidiaries, affiliates, and joint ventures accounted for under the equity method	27,099	23,517
A22500	Capital gains/loss from dispositions and scrap of real properties, plants and equipment	(92)	159
A22600	Real properties, plant, and equipment recognized as expenses	117	15
A23900	Unrealized gain/loss from sales	-	744
A24000	Realized gain/loss from sales	(2,895)	(3,931)
A29900	Others – exchange gain/loss from prepayment for purchase of equipment	737	213
A30000	Changes in assets/liabilities related to operations		
A31000	Net changes in assets related to operations		
A31130	Decrease (increase) of note receivables	(11,915)	15,327
A31150	Decrease (increase) of account receivables	130,185	(106,740)
A31160	Increase (decrease) of receivables – related parties	35,632	(25,368)
A31180	Decrease (increase) of other receivables	(4,374)	2,352
A31200	Decrease (increase) of inventory	39,911	(25,479)
A31230	Decrease (increase) of prepayments	(26,431)	(2,145)
A31240	Decrease (increase) of other current assets	6,809	8,866
A31990	Decrease (increase) of other operating assets	(11,685)	23,215
A32000	Net changes in liabilities related to operations		
A32130	Decrease (increase) of note payables	(1,604)	500
A32150	Decrease (increase) of account payables	(12,236)	(57,188)
A32160	Decrease (increase) of account payables –related parties	390	817
A32180	Decrease (increase) of other payables	(158,075)	(369,001)
A32190	Decrease (increase) of other payables – related parties	(3,934)	2,893
A32200	Increase (decrease) of provisions for debts	(7,734)	3,888
A32210	Increase (decrease) of cash on receipt	(183,322)	209,246
A32230	Increase (decrease) of other current liabilities	4,022	3,440
A32240	Increase (decrease) of accruable pensions	(3,611)	(2,890)
A33000	Cash inflows (outflows) from operation	300,611	93,022
A33100	Collected interest	2,517	4,766
A33300	Paid interest	(695)	(452)
A33500	Paid income tax	(46,559)	(71,019)
AAAA	Net cash inflows (outflows) from operations	255,874	26,317
BBBB	Cash flows from investments		
B01800	Investment accounted for under the equity method	(14,942)	(36,389)
B02700	Acquisition of real properties, plants, and equipment	(207,569)	(405,894)
B02800	Disposition of real properties, plants, and equipment	16,292	1,252
B04500	Acquisition of intangible assets	(9,656)	(18,987)
B06500	Increase of other financial assets	(1,093)	-
B06600	Decrease of other financial assets	-	123,982
B06700	Increase of other non-current assets	(20,915)	(30,767)
BBBB	Net cash inflows (outflows) from investments	(237,883)	(366,803)

(to be continued)

MPI Corporation

Consolidated Statement of Cash Flows (continued from previous page)

January 1 to December 31, 2013 and 2012

Currency unit: in NTD 1,000

Code	Title	FY 2013	FY 2012
CCCC	Cash flow from financing	4,265	-
C00100	Increase of short-term loans	(9,328)	(9,328)
C01700	Retirement of long-term loans	70	(1,955)
C04400	Decrease of other non-current liabilities	143	621
C04800	Exercise of Employee Stock Options	663	5,297
C05800	Changes in uncontrolled equity	(4,187)	(5,365)
CCCC	Net cash inflows (outflows) from financing		
DDDD	Effect of exchange rate fluctuation on cash and cash equivalents	7,088	(2,614)
EEEE	Increase (decrease) of cash and cash equivalents in current period	20,892	(348,465)
E00100	Balance of cash and cash equivalents at beginning of period	602,904	951,369
E00200	Balance of cash and cash equivalents at ending of period	$ 623,796	$ 602,904

(The notes to this statement and the Auditors' Report by Chang, Yu-Ming, and Chen, Shih-Yuan, CPAs of Nexia Sun Rise CPAs & Co. constitute an integral part of this report)

CEO: Steve Chen　　President: Scott Kuo　　Chief Accounting Officer: Rose Jao

Appendix V

MPI Corporation

Disposition of Net Earnings

FY 2013

Currency unit: in NTD Dollars

Title	Amount	
	Subtotal	Total
Undistributed earnings at beginning of period		$ 1,046,869,244
Less: Adjustment of retained earnings from the initial use of IFRS on 2012.12.31		(62,720,142)
Less: Other consolidated incomes (Actuarial gain/loss from confirmed welfare plan –FY 2013)		(670,935)
Add: corporate earnings of current period		271,033,216
Subtotal:		1,254,511,383
Recognized items:		
Less: allocation of 10% for legal reserve	(27,103,322)	
Add: reversal (recognition) of special reserve (debit item of shareholders' equity – net gain/loss not recognized as pension cost)	17,571,431	(9,531,891)
Subtotal distributable earnings:		1,244,979,492
For distribution:		
Shareholders dividend -cash	(165,086,023)	
Shareholders dividend- stock	(0)	(165,086,023)
Undistributed earnings at ending of period		$ 1,079,893,469
Note:		
For distribution of remunerations to directors and shareholders	(5,826,560)	
For distribution as employee bonus-cash	(23,306,300)	
For distribution as employee bonus – stock	(0)	

CEO: Steve Chen	President: Scott Kuo	Chief Accounting Officer: Rose Jao

Appendix VI

MPI Corporation

Mapping of the clauses of the Articles of Incorporation before and after amendment

Clause	Before amendment	After amendment	Cause of amendment
Article 12	The Company shall establish 5 seats of directors and 3 seats of supervisors, who shall be persons of legal competent and elected by the General Meeting of Shareholders. Directors and supervisors shall have tenure of 3 years and may be assume a second term of office if reelected. Of all the seats of directors as mentioned, there shall be 2 seats of independent directors who shall be elected from a nomination of candidates system. Shareholders shall elect the independent directors from the list of candidates. The professional qualification, quantity of shareholding, limitation of job position, methods of nomination and election and other issues for compliance shall be handled in accordance with the requirements of the competent authority of securities.	The Company shall establish 5 seats of directors and 3 seats of supervisors, who shall be persons of legal competent and elected by the General Meeting of Shareholders. Directors and supervisors shall have tenure of 3 years and may be assume a second term of office if reelected. Of all the seats of directors as mentioned, there shall be <u>at least 2 seats</u> of independent directors who shall be elected from a nomination of candidates system and t<u>he number of seats for independent directors shall constitute at least 1/5 of the total seats of directors</u>. Shareholders shall elect the independent directors from the list of candidates. The professional qualification, quantity of shareholding, limitation of job position, methods of nomination and election and other issues for compliance shall be handled in accordance with the requirements of the competent authority of securities	Keep abreast with the changes in applicable legal rules
Article 22	The Articles of Incorporation were instituted on July 20 1995. Amendment for the 1st instance was made on September 20 1996 (skipped)	The Articles of Incorporation were instituted on July 20 1995. Amendment for the 1st instance was made on September 20 1996 (skipped) <u>Amendment for the 17th instance was made on June 17 2014</u>	Addition of the date of the last amendment

Appendix VII

MPI Corporation

Mapping of the clauses of the Procedure for the Acquisition and Disposition of Assets before and after the amendment

Clause	Before amendment	After amendment	Cause of amendment
Article 2	This Procedure is instituted in accordance with the requirement of Executive Yuan Financial Supervisory Commission (hereinafter, "FSC").	This Procedure is instituted in accordance with the requirement of Financial Supervisory Commission (hereinafter, "FSC").	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.
Article 3	The scope of application for assets as stated in This Procedure: I. Investment in stocks, government bonds, corporate bonds, bank debentures, fund certificates, depository receipts, call (put) warrants, beneficiary certificates, and asset-backed securities. II. Real properties (including the inventory of construction industry) and other fixed assets. III. Membership cards, IV. Patents, copyrights, trademarks, franchise and others intangible assets. V. Debts of financial institutions (including account receivables, discounts for exchange and loans, accounts for collection). VI. Derivatives. VII. Assets acquired or disposed due to mergers, spinoff, acquisition, or assignment of shares. VIII. Other vital assets.	The scope of application for assets as stated in This Procedure: I. Investment in stocks, government bonds, corporate bonds, bank debentures, fund certificates, depository receipts, call (put) warrants, beneficiary certificates, and asset-backed securities. II. Real properties (including <u>lands, building and structures, real properties for investment, rights of land use</u>, and the inventory of construction industry) and other <u>equipment</u>. III. Membership cards, IV. Patents, copyrights, trademarks, franchise and others intangible assets. V. Debts of financial institutions (including account receivables, discounts for exchange and loans, accounts for collection). VI. Derivatives. VII. Assets acquired or disposed due to mergers, spinoff, acquisition, or assignment of shares. VIII. Other vital assets.	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
Article 5	II. The Finance and Accounting Department of the company is responsible for the conduct of long-term and short-term investments while the users and relevant departments of authority shall be responsible for the conduct of investment in real properties and other fixed assets. All other investments beyond securities, real properties, and other fixed assets shall be subject to assessment of relevant functional units in advance.	II. The Finance and Accounting Department of the company is responsible for the conduct of long-term and short-term investments while the users and relevant departments of authority shall be responsible for the conduct of investment in real properties and <u>equipment.</u> All other investments beyond securities, real properties, and <u>equipment</u> shall be subject to assessment of relevant functional units in advance.	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.
Article 8	In the event of any of the followings in the acquisition and disposition of assets, the company shall declare with FSC at designated format to designated website within 2 days after action has been taken depending on the nature of the assets: I. Acquisition or disposition of assets from related parties, or engagement in other transactions with related parties beyond the acquisition and disposition of assets in excess of 20% of the paid-in capital, 10% of the total assets, or NTD 300 million of the company, except the investment in R/P and reverse R/P. II. Proceeding to corporate mergers, split up, acquisition or acceptance of the assignment of shares.	In the event of any of the followings in the acquisition and disposition of assets, the company shall declare with FSC at designated format to designated website within 2 days after action has been taken depending on the nature of the assets: I. Acquisition or disposition of assets from related parties, or engagement in other transactions with related parties beyond the acquisition and disposition of assets in excess of 20% of the paid-in capital, 10% of the total assets, or NTD 300 million of the company, except the investment in R/P and reverse R/P, and <u>subscription or redemption of domestic money market funds.</u> II. Proceeding to corporate mergers, split up, acquisition or acceptance	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
	III. Loss in derivative trade at the upper limit of all or individual contracts as set forth in the procedure governing derivative trade. IV. All transactions of assets further to the content as stated in the preceding 3 paragraphs, disposition of creditor right by financial institutions, or investments in Mainland China which amount is in excess of 20% of the paid-in capital of the company or NTD300 million except the followings: (I) Government bond trade. (II) Investment is an operating business and trade at the overseas securities exchanges or OTC markets. (III) Bond trade with R/P and reverse R/P features. (IV) The assets acquired or disposed are business machinery and equipment and the counterparty for transactions is not a related party and the amount of transactions falls below NTD500 million. (V) Acquisition or disposition of real properties issued by a construction business for operation purpose and the counterparty of transactions is not a related party and the	of the assignment of shares. III. Loss in derivative trade at the upper limit of all or individual contracts as set forth in the procedure governing derivative trade. IV. All transactions of assets further to the content as stated in the preceding 3 paragraphs, disposition of creditor right by financial institutions, or investments in Mainland China which amount is in excess of 20% of the paid-in capital of the company or NTD300 million except the followings: (I) Government bond trade. (II) Investment is an operating business and trade at the overseas securities exchanges or OTC markets, or, <u>securities subscribed by securities dealers in the primary market and subscription of securities as permitted by law.</u> (III) Bond trade with R/P and reverse R/P features and <u>subscription or redemption of domestic money market funds.</u> (IV) The assets acquired or disposed are business machinery and equipment and the counterparty for transactions is not a related party and the amount falls below NTD500 million. (V) Acquisition or	

Clause	Before amendment	After amendment	Cause of amendment
	amount of transactions falls below NTD500 million. (VI) Acquisition of real properties through the construction on property land by commissioned builder, construction on property land by commissioned builder, joint venture of construction for sharing of built premises, joint ventures of construction with sharing of proceeds, and joint venture of construction with separate selling of the premises and the planned investment of the company falls below NTD500 million. The aforementioned amounts shall be calculated in the following methods: 1. The amount of each transaction. 2. The accumulated amount for transactions with particular counterparty for the acquisition or disposition of subject of trade of the same nature in one year. 3. The accumulated amount of the acquisition or disposition (calculated separately) of the same project of real property in one year. 4. The accumulated amount of acquisition or	disposition of real properties issued by a construction business for operation purpose and the counterparty of transactions is not a related party and the amount of transactions falls below NTD500 million. (VI) Acquisition of real properties through the construction on property land by commissioned builder, construction on property land by commissioned builder, joint venture of construction for sharing of built premises, joint ventures of construction with sharing of proceeds, and joint venture of construction with separate selling of the premises and the planned investment of the company falls below NTD500 million. The aforementioned amounts shall be calculated in the following methods: 1. The amount of each transaction. 2. The accumulated amount for transactions with particular counterparty for the acquisition or disposition of subject of trade of the same nature in one year. 3. The accumulated amount of the acquisition or disposition (calculated separately) of the same project of real property in one year.	

Clause	Before amendment	After amendment	Cause of amendment
	dispositions (calculated separately) of particular security in one year. One year as referred to shall be the period from the date of deed moving backward for one year in retrospect. The portion of trade already declared as required in this procedure could be exempted from calculation. The company shall declare all information of derivative trade conducted by itself and subsidiaries, which are not domestic public companies to the end of the previous month in designated format to designated website of FSC by the 10th day of each month. In the event or error of missing of the items required for declaration, the company shall take corrective action and shall declare for a new round as required. In acquisition of disposition of assets, the company shall keep a copy of related contracts, minutes of meetings on record, record books, appraisal reports, opinions issued by certified public accountants, lawyers or securities underwriters and retain such documents for at least 5 years unless otherwise specified by law.	4. The accumulated amount of acquisition or dispositions (calculated separately) of particular security in one year. One year as referred to shall be the period from the date of deed moving backward for one year in retrospect. The portion of trade already declared as required in this procedure could be exempted from calculation. The company shall declare all information of derivative trade conducted by itself and subsidiaries, which are not domestic public companies to the end of the previous month in designated format to designated website of FSC by the 10th day of each month. In the event or error of missing of the items required for declaration, the company shall take corrective action and shall declare for a new round as required. In acquisition of disposition of assets, the company shall keep a copy of related contracts, minutes of meetings on record, record books, appraisal reports, opinions issued by certified public accountants, lawyers or securities underwriters and retain such documents for at least 5 years unless otherwise specified by law.	
Article 10	With the exception of transactions with government institutions, construction on property land by commissioned builders, construction on leased land by commission builders, or the acquisition or disposition of machinery and equipment	With the exception of transactions with government institutions, construction on property land by commissioned builders, construction on leased land by commission builders, or the acquisition or disposition of equipment for business	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
	for business purpose, any acquisition or disposition of real properties or other fixed assets by the company accounted for 20% of the paid-in capital of the company or in excess of NTD300 million, the company shall obtain an appraisal report issued by a professional appraisal firm and shall be in compliance with the following requirements: I. Where limit price, fixed price or specific price is taken as reference for setting the transaction price due to specific reasons, the resolution of the Board of Directors shall be necessary before the transaction. The same procedure is applicable to any change in the terms and conditions of subsequent transactions. II. The transaction amount exceeds NTD1 billion shall be subject to the appraisal of at least 2 professional appraisal firms. III. If any of the following conditions is applicable, consult with a certified public accountant and refer to SFAS No. 20 released by the Accounting Research and Development Foundation for presentation of a fair opinion on the difference and the causes of the difference unless the appraisal result indicated a higher price than the	purpose, any acquisition or disposition of real properties or by the company accounted for 20% of the paid-in capital of the company or in excess of NTD300 million, the company shall obtain an appraisal report issued by a professional appraisal firm and shall be in compliance with the following requirements: I. Where limit price, fixed price or specific price is taken as reference for setting the transaction price due to specific reasons, the resolution of the Board of Directors shall be necessary before the transaction. The same procedure is applicable to any change in the terms and conditions of subsequent transactions. II. The transaction amount exceeds NTD1 billion shall be subject to the appraisal of at least 2 professional appraisal firms. III. If any of the following conditions is applicable, consult with a certified public accountant and refer to SFAS No. 20 released by the Accounting Research and Development Foundation <u>of the Republic of China (hereinafter, “ARDF”)</u> for presentation of a fair opinion on the difference and the causes of the difference unless the appraisal result indicated a higher price than the transaction amount or the appraised value of the assets for disposition	

Clause	Before amendment	After amendment	Cause of amendment
	transaction amount or the appraised value of the assets for disposition falling below the actual transaction amount: (I) The difference between the appraisal value and the transaction amount exceeds 20% of the transaction amount. (II) The appraisal values presented by 2 or more professional appraisal firms showed variation of more than 10% of the transaction value. IV. The date on which the professional appraisal firms issued the appraisal reports shall not fall beyond 3 months from the date of entering into agreements. If the announced present value in the same period is applicable and is falling within 6 months, the original appraisal firms shall present a statement of opinion.	falling below the actual transaction amount: (I) The difference between the appraisal value and the transaction amount exceeds 20% of the transaction amount. (II) The appraisal values presented by 2 or more professional appraisal firms showed variation of more than 10% of the transaction value. IV. The date on which the professional appraisal firms issued the appraisal reports shall not fall beyond 3 months from the date of entering into agreements. If the announced present value in the same period is applicable and is falling within 6 months, the original appraisal firms shall present a statement of opinion.	
Article 12	In acquisition or disposition of membership cards or intangible assets by the company with value in excess of 20% of its paid-in capital or NTD300 million, consult with a certified public accountant for presenting an opinion on the transaction price for reasonable judgment in advance. The certified public accountant shall refer to SFAS No. 20 released by the Accounting Research and Development Foundation in presenting the opinion.	In acquisition or disposition of membership cards or intangible assets by the company with value in excess of 20% of its paid-in capital or NTD300 million, consult with a certified public accountant for presenting an opinion on the transaction price for reasonable judgment in advance except for transactions with government institutions. The certified public accountant shall refer to SFAS No. 20 released by the Accounting Research and Development Foundation in	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
		presenting the opinion.	
Article 12-1	The calculation of the amount of transactions as set forth in the preceding 3 articles shall be done in accordance with Article 8-II. One year as referred to shall be the date of deed moving backward for 1 year in retrospect. Transactions accompanied by appraisal reports of professional appraisal firms or opinions from certified public accountants under this standard can be excluded from the calculation.	The calculation of the amount of transactions as set forth in the preceding 3 articles shall be done in accordance with Article 8-II. One year as referred to shall be the date of deed moving backward for 1 year in retrospect. Transactions accompanied by appraisal reports of professional appraisal firms or opinions from certified public accountants under this <u>procedure</u> can be excluded from the calculation.	Amendment is made in compliance with applicable laws
Article 16	The acquisition or disposition of real properties by the company from related parties, or engagement with related parties in the acquisition or disposition of assets beyond real properties with transaction value in excess of 20% of the paid-in capital, 10% of the total assets, or NTD300 million, present the following information to the Board of Directors and Supervisors for ratification before entering into transaction agreements or making payment for the transactions: I. The purpose, necessity, and expected return of the acquisition or disposition of assets. II. The reason for choosing a related party as the counterparty. III. Information on assessment of the expected terms and conditions of transactions to justify the acquisition of real properties from a related party.	The acquisition or disposition of real properties by the company from related parties, or engagement with related parties in the acquisition or disposition of assets beyond real properties with transaction value in excess of 20% of the paid-in capital, 10% of the total assets, or NTD300 million, <u>except the trading of government bonds, bonds with R/P and reverse R/P features, and subscription or redemption of domestic money market funds,</u> present the following information to the Board of Directors and Supervisors for ratification before entering into transaction agreements or making payment for the transactions: I. The purpose, necessity, and expected return of the acquisition or disposition of assets. II. The reason for choosing a related party as the counterparty. III. Information on assessment of the expected terms and conditions of transactions	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
	IV. Information on the original date of acquisition of the assets by the related party and the price, the counterparty and its relation to the related party and the company. V. The projection of cash flows from the month the agreement is made in one year ahead with assessment of the necessity of the transaction and the rationale of capital utilization. VI. The appraisal reports issued by professional appraisal firms or opinions of certified public accountants as required in Article 15. VII. The constrained conditions and other important terms and conditions of these transactions. The calculation of the amount as stated in the preceding paragraph shall be done in accordance with Article 8. One year as referred to shall be the period from the date of deed moving backward for one year in retrospect. The amount that has been ratified by the Board of Directors and Supervisors as required by this standard can be excluded from the calculation. The acquisition or disposition of machinery and equipment for business purpose between the company and its parent or subsidiaries shall be subject to the final approval of the Board pursuant to Article 5-I	to justify the acquisition of real properties from a related party. IV. Information on the original date of acquisition of the assets by the related party and the price, the counterparty and its relation to the related party and the company. V. The projection of cash flows from the month the agreement is made in one year ahead with assessment of the necessity of the transaction and the rationale of capital utilization. VI. The appraisal reports issued by professional appraisal firms or opinions of certified public accountants as required in Article 15. VII. The constrained conditions and other important terms and conditions of these transactions. The calculation of the amount as stated in the preceding paragraph shall be done in accordance with Article 8. One year as referred to shall be the period from the date of deed moving backward for one year in retrospect. The amount that has been ratified by the Board of Directors and Supervisors as required by this standard can be excluded from the calculation. The acquisition or disposition of equipment for business purpose between the company and its parent or subsidiaries shall be subject to the final approval of the Board	

Clause	Before amendment	After amendment	Cause of amendment
	whereby the Chairman shall be authorized to make decision within specific limit and presented before the most recent session of the Board for ratification. Where seats of independent directors may have been established in accordance with the Securities and Exchange Act, fully consider the opinions before presenting to the Board for discussion as stated. In case of adverse opinions or qualified opinions from the independent directors, state in the minutes of meeting on record. Where an Auditing Committee may have been established in accordance with the Securities and Exchange Act whereby the recognition of the Supervisors is necessary, the approval by a simple majority of all members of the Auditing Committee is required before presenting to the Board for resolution.	pursuant to Article 5-I whereby the Chairman shall be authorized to make decision within specific limit and presented before the most recent session of the Board for ratification. Where seats of independent directors may have been established in accordance with the Securities and Exchange Act, fully consider the opinions before presenting to the Board for discussion as stated in paragraph I. In case of adverse opinions or qualified opinions from the independent directors, state in the minutes of meeting on record. Where an Auditing Committee may have been established in accordance with the Securities and Exchange Act whereby the recognition of the Supervisors is necessary, the approval by a simple majority of all members of the Auditing Committee is required before presenting to the Board for resolution. <u>The requirement of 10% of the total assets in this procedure shall be based on the amount of total assets as stated in the parent company only or individual financial statements prepared in accordance with the Criteria for Compilation of Financial Reports by Securities Issuers in the most recent fiscal period.</u> <u>If there is no face value for the company shares, or the face value per each share is not NTD10, the requirement of 20% of the paid-in capital as stated in this procedure shall be based on the 10% of the shareholders' equity</u>	

Clause	Before amendment	After amendment	Cause of amendment
		attributable to the parent company.	
Article XVII	In the event of any of the following in the acquisition of real properties from related parties by the company, assess the rationale of the cost of transaction as required and consult a certified public accountant for an opinion unless otherwise the following situations applied: I. The related party acquired the real properties through succession or donation. II. The date on which the related party entered into the agreement on the acquisition of real properties was more than 5 years ago from the date the agreement on this transaction was made. III. The acquisition of real properties was made through entering into an agreement with the related party in a joint venture of construction.	The Company shall acquire real properties from related parties in accordance with the following means: I. Transaction price with related parties shall cover necessary interest for the use of capital and the cost to be borne by the buyer. Necessary cost of capital as referred to is weighted average interest rate for the loan the company used for the purchase of the asset. Such rate shall not be higher than the upper limit of non-financial institutions as announced by the Ministry of Finance. II. In case the related party pledged the subject property to a financial institution as mortgage for loan. The total assessed value of loan granted in favor of the related party by the financial institution. Yet, the drawdown of the loan to the related party shall exceed 70% of the total assessed value in accumulation and the drawdown has been made for longer than 1 year. This provision is not applicable if the lender and the related party are related party to each other. For the joint purchase of the same subject land and premise, the cost of the land and premise shall be assessed by any methods as aforementioned. For acquisition of real	In compliance with the requirement of Financial Supervisory Commission Letter Jin-Guan-Zheng-Fa-Zi. No. 1020053073.

Clause	Before amendment	After amendment	Cause of amendment
		properties from a related party, the company shall proceed to the assessment of the cost of the real properties in accordance with the requirements in I and II, and refer to the review and presentation of opinion by a certified public accountant. In the event of any of the following in the acquisition of real properties by the company from a related party, proceed to Article 16 and the provision in III in this article shall not be applied: I. The related party acquired the real properties through succession or donation. II. The date on which the related party entered into the agreement on the acquisition of real properties was more than 5 years ago from the date the agreement on this transaction was made. III. The acquisition of real properties was made through entering into an agreement with the related party in a joint venture of construction, <u>or construction on property land by commissioned builder, construction on leased land by commissioned builder in construction of real properties with the related party.</u>	
Article 17-1		In the event that the appraisal prices conducted pursuant to Article 17-I, II falls below the transaction price, proceed to Article 18. The followings are exception on condition that the professional appraisal firms and the certified public	Amendment is made in compliance with applicable laws

Clause	Before amendment	After amendment	Cause of amendment
		accountants have presented their opinions on the rationality of the transaction on the real properties: I. If the related party has acquired undeveloped land or leased land for construction, any of the following conditions must be met with evidence: (I) Undeveloped land shall be assessed in the methods as specified in preceding article. Building shall be assessed by adding the cost of construction of the related party with reasonable construction profit and the total of which exceeds the actual transaction price. Reasonable construction profit as referred to shall be the average gross margin of the construction segment of the related party over the last 3 years, or the latest gross margin as announced by the Ministry of Finance, whichever is lower. (II) The transactions of other stories of the same building on the same land or in the immediate area not conducted by the related party in the same year, with relevant floor area and the terms and conditions are congruent with the common practices in real property trade with appraisal on the difference in price for reasonable stories or land and the terms and conditions are relevant. (III) Transactions of other stories in the same	

Clause	Before amendment	After amendment	Cause of amendment
		building of the same land with non-related parties in the same year, and the terms and conditions are congruent with the common practices in real property trade with appraisal on the difference in price for reasonable stories and the terms and conditions are relevant. II. The company can proof with evidence that the real properties purchased from the related party are conducted with terms and conditions are relevant with the transactions in the immediate area with non-related parties in the same year, in relevant floor area. The transactions in the immediate area as referred to subject of trade in the same or similar demographic features and are less than 500 meters in perimeter from the subject of trade, or the announced present value is relevant. Relevant floor area refers to transactions with non-related parties and the floor area of the property is not smaller than the floor area of the subject of trade by 50%. In the same year as referred to shall be based on the date of deed of real property transactions moves backward for one year in retrospect.	
Article 18	For the acquisition of real properties from related parties by the company, if the appraisal value falls below	For the acquisition of real properties from related parties by the company, if the appraisal value performed	Amendment is made in compliance with applicable laws

Clause	Before amendment	After amendment	Cause of amendment
	the transaction price, proceed to the following: I. Recognize the difference between the transaction price and the appraisal value of the real properties in transaction as special reserve pursuant to Article 41-1 of the Securities and Exchange Act, and such amount in difference cannot be distributed as income or for capitalization into new shares. Where the investee of the company may be a public company accounted for under the equity method, the stated amount shall be shall be recognized in proportion of the shareholding by the company over the said investee as special reserve pursuant to Article 41-1 of the Securities and Exchange Act. II. The Supervisors shall proceed to Article 218 of the Company Act. III. Report the status as stated in I and II to the General Meeting of Shareholders, and disclose the transaction details in the annual report and the prospectus. For the special reserve being recognized by the company in accordance with the requirement of preceding paragraphs, it may be utilize only after the assets purchased at high price has been recognized for loss due to falling price or disposition,	pursuant to Article 17 and Article 17-1 falls below the transaction price, proceed to the following: I. Recognize the difference between the transaction price and the appraisal value of the real properties in transaction as special reserve pursuant to Article 41-1 of the Securities and Exchange Act, and such amount in difference cannot be distributed as income or for capitalization into new shares. Where the investee of the company may be a public company accounted for under the equity method, the stated amount shall be shall be recognized in proportion of the shareholding by the company over the said investee as special reserve pursuant to Article 41-1 of the Securities and Exchange Act. II. The Supervisors shall proceed to Article 218 of the Company Act. III. Report the status as stated in I and II to the General Meeting of Shareholders, and disclose the transaction details in the annual report and the prospectus. For the special reserve being recognized by the company in accordance with the requirement of preceding paragraphs, it may be utilize only after the assets purchased at high price has been recognized for loss due to falling price or disposition, or	

Clause	Before amendment	After amendment	Cause of amendment
	or under appropriate compensation, or recovery to original condition, or being proved as not unreasonable with evidence and at the approval of FSC. If the acquisition of real properties from a related party by the company proved to be not being conducted under the arm's-length principle with evidence, proceed to the requirements as stated in the preceding 2 paragraphs.	under appropriate compensation, or recovery to original condition, or being proved as not unreasonable with evidence and at the approval of FSC. If the acquisition of real properties from a related party by the company proved to be not being conducted under the arm's-length principle with evidence, proceed to the requirements as stated in the preceding 2 paragraphs.	

Appendix I

MPI Corporation
Articles of Incorporation

Chapter I General Provision

Article I: The Company has been duly incorporated in accordance with the Company Act and titled MPI Corporation.

Article II: The Company is engaged in the principal business specified below:

I. CB01010 Machinery and Equipment Manufacturing.
II. CC01080 Electronic Parts and Components Manufacturing.
III. F119010 Wholesale of Electronic Materials .
IV. F113050 Wholesale of Computing and Business Machinery Equipment .
V. E605010 Computing Equipments Installation Construction .
VI. F113010 Wholesal of Machinery.
VII. F213080 Retail Sale of Machinery and Equipment .
VIII. F401010 International Trade.
IX. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article III: The Company may make direct investment up to 40% of the paid-in capital and may act as a guarantor in favor of a third party outside the company for business purpose.

Article IV: The Company is headquartered in Zhubei city, Hsinchu County, and may establish branches at home and abroad under the resolution of the Board of Directors, where necessary.

Chapter II Shares of Stock

Article V: The Company has stated capital of NTD 1 billion (NT$1,000,000,000) equally divided into 100 million shares (100,000,000) at face value of NTD 10 per share. The Board of Directors has been authorized to issue the shares in tranches.
The amount of NTD 50 million (NT$50,000,000) will be retained and this amount is equally split up into 5 million shares (5,000,000) at face value of NTD 10 per share for the issuance of stock options. The Board of Directors has been authorized to issue the stock options in tranches.

Article V-1: In the event the Company shall repurchase its outstanding shares as dictated by law, the Board of Directors shall be authorized for the repurchase.

Article VI: The Company issues registered shares with the authorized signatures/specimen seals of at least 3 Directors affixed to each stock certificate subject to certification as required by law before issuance. The Company may also issue shares without printing physical stock certificate, or consolidated all the outstanding shares for printing stock certificates for the issuance of the aforementioned shares, and register with the central depository of securities.

Article VII: Any change of the content contained in the shareholders registry shall be prohibited within 60 days prior to a regular session of the General Meeting of Shareholders, or within 30 days prior to a special session of the General Meeting of Shareholders, or within 5 days prior to the dividend or bonus announcement day or the day on which other benefits are released.

Chapter III General Meeting of Shareholders

Article VIII: The General Meeting of Shareholders may convene in regular sessions or special sessions. Regular session will usually be convened once a year within 6 months after the end of a fiscal year. Special session may be convened at any time as needed. The Company may adopt the system of voting by correspondence or electronic means in a session of the General Meeting and the procedure shall be instituted in accordance with applicable laws.

Article IX: If specific shareholder cannot attend the General Meeting of Shareholders in person, such shareholder may use the authorization of agent printed by the Company and specify the scope of authorization for appointing a proxy to attend the meeting.

Article X: Shareholders are entitled to one vote for each share of holding except for holding the shares as specified in Article 179 of the Company Act or unless otherwise the law requires.

Article XI: Unless applicable laws specified otherwise, resolutions of the General Meeting of Shareholders shall be made by a simple majority of the shareholders representing more than half of the total outstanding shares in the meeting, or at the unanimous consent of the shareholders who are present in the meeting.

Chapter IV Directors and Supervisors

Article XII: The Company shall establish 5 seats of Directors, 3 seats of Supervisors, and each shall have tenure of 3 years in office. Directors and Supervisors shall be elected by the General Meeting of Shareholders from persons of legal competence, and who shall assume a second term of office if reelected.

Of the aforementioned seats of Directors, 2 of which shall be reserved for Independent Directors. Independent Directors shall be elected from a nomination system whereby shareholders shall elect the candidates on the nomination list. The professional qualification, quantity of shareholding, limitation of profession, method of nomination and election and other details pertinent to the election shall be instituted in accordance with the regulations of the competent authority of securities.

Article XIII: The Board of Directors shall be organized by the Directors one of whom shall be elected as the Chairman in a session with the presence of at least two-thirds of the Directors and the consent under a simple majority. A vice chairman shall also be elected likewise. The Chairman shall preside over the sessions of the General Meeting and the Board internally and represents the company externally.

Article XIV: In the absence of the Chairman or the Chairman is unable to perform its duties, proceed to Article 208 of the Company Act. The Directors shall attend the sessions of the Board in person, or appoint another Director to attend the meeting with the authorization of agent and specify the scope of authorization. Each Director may appoint one Director to act as proxy in the meeting.

The Board shall convene with the cause of the session specified in the notice 7 days in advance to the acknowledgement of all Directors and Supervisors. In case of emergency, The Board may call for special session with notice in writing, fax, or e-mail. The Board may convene via teleconferencing and the Directors participating in the teleconference shall be deemed attending the Board session in person.

Article XV: Unless the Company Act specifies otherwise, resolutions of the Board may be made by a session with the presence of at least half of the seats of Directors and by a simple majority of these Directors.

Article XVI-1: The remunerations to the Chairman, Vice Chairman, Directors, and Supervisors shall commensurate with their level of participation and contribution to the operation of the company with reference to industry standard, and shall be determined by the Board under authorization.

Article XVI: The Board of Directors shall perform the following functions:

I. Review and approval of the corporate policy and the development plan in the mid to long run.
II. Review and supervision of the execution of annual business plan.
III. Review and approval of budget and account settlement.
IV. Review and approval of the plan of capitalization and decapitalization of the company.
V. Review and approval of the proposal for income distribution or covering loss carried forward.
VI. Review and approval essential contracts with external parties.
VII. Review and approval of the Articles of Incorporation and amendment thereto.
VIII. Review and approval of the organizational code and important rules and regulations of the company.
IX. Approval of the establishment, reorganization, and revocation of branches.
X. Approval of major capital spending plans.
XI. Planning for the acquisition and disposition of vital assets of the company.
XII. The appointment and dismissal of the general manger and deputy general managers.
XIII. Execution of the resolutions of the General Meeting of Shareholders.
XIV. Review and approval of the proposals from the general manager.
XV. Convention of the General Meeting of Shareholders and report on operation.
XVI. Any other duties to be performed under law.

Article XVII: The Supervisors shall perform the following functions:

I. Review of the account settlement.
II. Supervision of the operation and financial position of the company, and may request the Board or the managers to report.
III. Review and audit of the journal books and documents of the company.
IV. Calling for special sessions of the General Meeting of Shareholders in accordance with applicable laws where necessary.
V. Supervision on any other issues as required by law.

Chapter V Managers

Article XVIII: The Company shall employ several managers and the appointment and dismissal of whom shall be carried out pursuant to Article 29 of the Company Act.

Chapter VI Accounting Policy

Article XIX: At the end of the fiscal year, the Board shall prepare (I) Operation in review; (II) Financial Statements; (III) proposals of income distribution or covering loss carried forward and related document, and forward these materials to the Supervisors for review 30 days prior to the scheduled date of the regular session of the General Meeting for ratification.

Article XX: Where the Company may have a surplus after the account settlement and such surplus shall be distributed in the priority specified below:

(I) Payment of taxes.

(II) Covering loss carried forward.
(III) Allocation of 10% as legal reserve.
(IV) Allocation of specific percentage as special reserve as required by law.
(V) If the surplus and the balance of undistributed income at the beginning of the period net of the aforementioned four items show a balance, the Board shall propose a plan for the distribution of the earnings and present before the General Meeting of Shareholders for ratification. Distribution of income shall be made in the following percentage:
   1. Employee bonus: at least 12%.
   2. Remunerations to the Directors and Supervisors: up to 3%.
   3. Shareholders dividend: the remainder net of the aforementioned 2 items.

The recipients of employee stock dividend shall include all employees of the subsidiaries to the company.

Article XX-1: The Company is now at the growth stage of industrial development. As such, the dividend policy shall be conditioned by the investment environment, capital needs, domestic and international competition, and capital budgeting of the company at present moment and in the futures. Shareholders interest, balance of dividend payment and long-term financial planning shall also be considered with the Board of Directors to design the plans for income distribution annually as required by law, and present before the General Meeting of Shareholders for ratification.
The distribution of income shall be conditioned by the capital needs and the dilution of the earnings per shares thereby released through cash dividend or stock dividend. The release of cash dividend shall not fall below 10% of the total amount of dividend for distribution.

Chapter VII Miscellaneous

Article XXI: Anything not covered by this Articles of Incorporation shall be governed by the Company Act and other applicable legal rules.

Article XXII: Instituted on July 20 1995.
Amendment was made for the 1st instance on September 20 1996.
Amendment was made for the 2nd instance on January 9 1998.
Amendment was made for the 3rd instance on September 11 1998.
Amendment was made for the 4th instance on January 4 1999.
Amendment was made for the 5th instance on June 1 2000.
Amendment was made for the 6th instance on April 16 2001.
Amendment was made for the 7th instance on December 12 2001.
Amendment was made for the 8th instance on April 18 2002.
Amendment was made for the 9th instance on June 3 2004.
Amendment was made for the 10th instance on June 3 2005.
Amendment was made for the 11th instance on June 23 2006.
Amendment was made for the 12th instance on December 28 2006.
Amendment was made for the 13th instance on June 15 2007.
Amendment was made for the 14th instance on June 6 2008.
Amendment was made for the 15th instance on June 15 2010.
Amendment was made for the 16th instance on June 17 2011.

CEO: Steve Chen
MPI Corporation

Appendix II

MPI Corporation
Parliamentary Procedure for General Meeting of Shareholders

Article 1: The General Meeting of Shareholders shall be governed by this procedure unless the law otherwise specified.

Article 1-1: The Board of Directors shall call for the sessions of the General Meeting of Shareholders unless the law otherwise specified.

The company shall prepare the electronic version of the notice of meeting, appointment of agent form, information on motions for ratification, discussion, the election or discharge of Directors and Supervisors, and the motions and causes of motions and upload the aforementioned information to MOPS at least 30 days before a regular session or at least 15 days before a special session of the General Meeting. In addition, the company shall also prepare the parliamentary procedure handbook and supplementary materials for the meeting in electronic version and upload the information to MOPS at least 21 days before a regular session or 15 days before a special session is scheduled, and prepare the hard copies of parliamentary procedure handbook and supplementary materials for the meeting and make these materials available at the offices of the company and share registration agents for the shareholders, or release the materials on the site of the meeting. The aforementioned notice and announcement shall contain information on the cause of the session, and may be made in electronic form at the consent of the respondents. Motions of election or discharge of Directors, Supervisors, alteration of the Articles of Incorporation, dissolution, merger, split up of the company, or anything as stated in Article 185-1, Article 26-1, Article 43-6 of the Securities and Exchange Act, shall be explicitly stated in the cause of calling for the session and cannot be proposed as impromptu motions. Shareholders holding 1% or more of the total outstanding shares of the company propose motions in a regular session in writing but each shareholder is permitted to propose one motion only. Any more motions will not be included into the agenda of the meeting. For proposal of motions pertinent to any conditions as specified in Article 172-1-(4) of the Company Act may be declined by the Board for including into the agenda. The company shall announce the motions proposed by the shareholders, the place and time for handling the motions before the date on which shares are stopped for transactions before a regular session is scheduled. At least 10 days shall be allowed for handling the motions. Each motion is limited to 300 words or it will not be included into the agenda. Shareholders shall attend the regular session in period or appointing a proxy to attend and engaged in the discussion of the motion being proposed. The company shall inform the shareholders of the motions being proposed and handled before the date of notice of the General Meeting and list the motions meeting the requirements of this clause into the meeting notice. For motions proposed by shareholders not being listed into the agenda, the Board shall explain the reasons for noting including such motions as a part of the agenda.

Article 1-2: Each shareholder may present the authorization of agent document prepared by the company with the scope of authorization defined to appoint a proxy to attend each session of the General Meeting. One shareholder may appoint one proxy and present one authorization of agent only and such document shall be delivered to the company no later than 5 days prior to the scheduled date of the General Meeting. For repeated authorization of agent, the initial authorization shall prevail unless

otherwise the previous authorization has been declared for revocation. After the delivery of the authorization of agent to the company and that the shareholder desire to attend the meeting in person, or cast the vote in correspondence or electronic form, such shareholder may inform the company for the revocation of the authorization previous made in writing no later than 2 days prior to the scheduled date of the meeting. Any late arrival of the petition for revocation of the authorization agent will not be accepted. Accordingly, the proxy shall attend the meeting and cast the vote.
Notice to the company for revocation of the authorization of agent must be made in writing. For the expression of such intent beyond the deadline, the vote cast by the proxy in the meeting under the authorization of agent shall stand.

Article 2: A sign-in book shall be prepared at the General Meeting of Shareholders for tracking the attendance of the shareholders, or, the shareholders who attend the meeting shall surrender the sign-in card in lieu of signing in the book for record. The quantity of shares represented by the shareholders attending the meeting shall be based on the information of the sign-in books and the sign-in cards being surrendered. The company shall present the parliamentary handbook, annual report, attendance card, speech memo, ballots, and other materials for the meeting to shareholders attending the meeting. If there is an election of Directors and Supervisors to be held, attach a ballot for such purpose. The shareholders shall bring with them the attendance card, sign-in card, or other documents for attending the meeting. Persons requesting for authorization of agent instrument shall bring their ID documents for confirmation. Where the shareholders may be the government or institutions, more than one representative may be assigned to attend the meeting.

Article 3: The attendance of shareholders in the General Meeting and the votes shall be based on the quantity of shares being represented in the calculation. The quantity of shares represented by the shareholders attending the meeting shall be based on the information of the sign-in book or the sign-in cards being surrendered, plus the votes representing the shares cast by correspondence or electronic mean.

Article 4: The place for the General Meeting of Shareholders shall be at the locality of the company or a place convenient for the shareholders to attend. The time for the meeting shall not be earlier than 9:00 am or later than 3:00 pm of the day.

Article 5: Where the Board of Directors may call for the General Meeting, the Chairman shall preside over the meeting. In the absence of the Chairman or the Chairman cannot perform its duties, the Vice Chairman shall act on behalf of and in the name of the Chairman to preside over the meeting. Where there is no seat of a vice chairman, in the absence of the Vice Chairman or where the Vice Chairman cannot perform his duties, the Chairman shall appoint an agent to preside over the meeting, or, the Directors shall nominate one among themselves to preside over the meeting.
Where an entitled third party other than the Board of Directors may call for the General Meeting, such party shall preside over the meeting. In case there are two entitled parties calling for the General Meeting, one of them shall be nominated to preside over the meeting.

Article 6: The Company may appoint its retained lawyers, certified public accountants or related personnel to attend the General Meeting as observers.
Personnel administering the General Meeting shall wear ID badge or arm badge at the venue of the meeting.

Article7: The minutes of the General Meeting shall be kept on record by voice recording or videotaping. Such minutes of General Meeting on record shall be retained for at least 1 year, or, if the shareholders institute legal action against the company pursuant to Article 189 of the Company Act, the minutes of related meetings shall be retained until the final ruling of the action.

Article 8: The Chairman of the General Meeting shall announce for the session on the exact time scheduled for the meeting. If however the presence of shareholders at that point of time represent less than one-half of the total outstanding shares, the Chairman may announce to postpone the meeting up to two instances and the total time lapsed cannot exceed one hour. If postponement has been made for twice and the shareholders present in the meeting cannot represent one-half but represent more than one-third of the total outstanding shares, the Chairman shall call off the meeting. In the event of that postponement has been made twice and the shareholders present in the meeting cannot represent one-half but represent more than one-third of the total outstanding shares, Article 175-1 of the Company Act shall be applicable whereby provisional resolution could be made.

If the session is still in progress with the eventual presence of shareholders representing more than half of the total outstanding shares, the Chairman shall refer the provisional resolution to the General Meeting for finalization pursuant to Article 174 of the Company Act.

Article 9: For General Meeting being called for by the Board of Directors, the Board of Directors shall prepare the agenda and the meeting shall be proceeded in accordance with the agenda unless otherwise the General Meeting of Shareholders resolved to make change. If only the rearrangement of the orders of the meeting is required, the Chairman shall make such arrangement.

The same principle shall be applicable to General Meeting being called for by parties other than the Board of Directors.

Before the parliamentary procedure is accomplished in accordance with the agenda (including the impromptu motions) as stated in the preceding 2 paragraphs, the Chairman cannot announce for the adjournment of the meeting unless at the resolution of the shareholders in session. However, the Chairman may announce for the adjournment of the meeting for maintaining order of the session, or there is something that cannot allow for the smooth progress of the meeting.

After the meeting is adjourned, shareholders cannot nominate another chairman or seek another venue for continuation of the meeting.

Article 10: Before a shareholder who is present in the meeting may take the floor, he or she shall prepare the speech memo by specify the summary and the shareholder account number (or attendance card number) and account title. The Chairman shall then arrange for the priority of the shareholders to deliver their speeches. Shareholders who have just prepared the speech memo without taking the floor for delivery of speech shall be deemed no delivery of speech. In case the content of the speech delivered on the floor is irrelevant with the content in the speech memo, the latter shall stand. When a shareholder is having the floor, all other shareholders shall not interfere unless at the consent of the Chairman or the shareholder who is taking the floor. Any unrestrained action shall be discouraged by the Chairman.

Article 11: Each shareholder may express their opinion on a particular motion twice only, unless otherwise approved by the Chairman and the duration of each instance of expression of opinion shall be up to 5 minutes. The Chairman shall prevent further speech of a particular shareholder who violates the aforementioned requirements or where the content of the speech is irrelevant to the motion in point.

Article 12: Where an institutional shareholder may be appointed as a proxy to attend the General Meeting, such institutional shareholder may appoint only one representative to the meeting.
For institutional shareholders appointing 2 or more representatives to the General Meeting, only one representative may expression opinion on particular motion.

Article 13: After specific shareholder in the meeting has expressed an opinion, the Chairman may respond to the issue personally or appoint specific personnel to respond to the issue.

Article 13-1: The votes cast by the shareholders shall be calculated in terms of the quantity of shares being represented. For resolution of the General Meeting, the quantity of shares held by shareholders without voting rights is excluded as a part of the total outstanding shares. For motions where specific shareholders have a conflict of interest with the company, these shareholder shall be excused from voting and cannot acting as the proxy of another shareholder to exercise the voting right.
The quantity of shares bearing no voting right is excluded from the quantity of shares represented by shareholders attending the meeting in the calculation. If particular person who has been appointed by 2 or more shareholders as proxy to attend the meeting, the voting right being represented under the authorization of agent shall not exceed 3% of the total quantity of outstanding shares bearing voting rights or the voting right in excess of relevant quantity shall not be counted.

Article 13-2: Shareholders are entitled to one voting right for the holding of each share except those who are under restriction or having no voting right as stated in Article 179-2 of the Company Act. When the General Meeting is in session, votes can be cast by correspondence or electronic means. Where the company may adopt an electronic means of voting pursuant to Article 177-1-(1) of the Company Act in exception, it shall adopt both voting by correspondence or electronic means. In so doing, the company shall specify the detail of voting by correspondence or electronic means in the notice of General Meeting. Shareholders casting their votes by correspondence or electronic means shall be deemed attending the meeting in person but votes on impromptu motions or amendment to original motions shall be deemed their abstention from voting of these motions. Shareholders who elect to cast their votes by correspondence or electronic means shall express their intents to the company at least 5 days before the scheduled date of the meeting. In case of repeated expression of intent, the initial intent so expressed shall stand unless declaration for the revocation of the previous expression of intent is made. Where specific shareholder may decide to attend the meeting in person after expressing the intent of casting votes by correspondence or electronic means, such shareholder shall express the intent of revoking the intent previous expressed in the same manner one day before the scheduled date of the meeting. For shareholders who cannot revoke the intents previously made, the votes cast by correspondence or electronic means shall stand. If an expression of intent to vote by correspondence or electronic means has been made and at the same time, a proxy has been appointed to attend the meeting, the votes cast by the proxy in the meeting shall stand.

Article 14: Where the discussion on specific motion has been deemed accomplished, the Chairman shall call the discussion to an end and proceed to voting. If there is no adverse opinion upon the inquiry of the Chairman on the scene, it shall be deemed the motion in point is passed. Where the Chairman may announce to make decision by voting, motions may be referred to voting in the same procedure but votes shall be cast on separate motions.

Article 15: The Chairman shall appoint the staff to supervise the casting of votes and the counting of votes on condition that such staff is shareholders. The result of voting shall be announced on the scene immediately and tracked on record.

Article 16: The Chairman may announce for recess during the session.

Article 17: Resolution shall be made by a simple majority of the shareholders with voting right in session unless the Company Act or the Articles of Incorporation otherwise specified.
At the point of voting, the Chairman or designated personnel shall announce the total quantity of voting rights represented by the shareholders before proceeding to voting. For motions that have no adverse opinions from the shareholders in session as announced, it shall be deemed action in favor of the motions has been taken and the effect shall be the same as casting votes for resolution. For motions that triggered adverse opinions, decision shall be made by voting as stated in preceding paragraphs.

Article 18: Where specific motion may have amendment or a substitute, the Chairman shall refer the amendment or substitute to voting in the same priority as the original motion. If one of these motion, amendment or substitute is being passed, all other options shall be deemed vetoed and no further voting is necessary.

Article 18-1: In the event that an election of Directors and Supervisors is held in a session, follow the procedure and regulation of the company for election and term of office and announce the election result on the scene. The ballots for the aforementioned election shall be kept in the box, sealed and signed by the witness, and retained for at least one year. If legal action is instituted by shareholders pursuant to Article 189 of the Company Act, the ballots shall be retained until the final ruling of the action.

Article 18-2: All resolutions of the General Meeting of Shareholder s shall be kept as minutes of the meeting on record, signed or sealed by the Chairman, and release to all shareholders within 20 days after the meeting. The preparation and the circulation of the minutes of meeting on record may be made electronically.
The minutes of meeting on record as mentioned may be uploaded to MOPS for announcement.
The content of the minutes of meeting on record shall contain information on the date, month, year, venue, name of chairman, method of resolution, the process of discussion, the summary and result, and shall be kept during the entire perpetuity of the company.
Where the method of resolution as mentioned is the inquiry by the chairman for opinions from the shareholders and that the shareholders expressed no adverse opinions, specify as "passed at unanimous consent of the shareholders upon the inquiry of the chairman". In case of adverse opinion from the shareholders, specify the method of voting and the number of votes in favor of the motion and the proportion to the voting rights.

Article 18-3: The Company shall prepare relevant table in designated format for compilation of the statistical data on the quantity of shares represented by proxies or parties requesting for representation to the meeting on the day of the General Meeting and release the data at the venue of the meeting. Where the motions for resolutions may involve materiality under law or Taiwan Stock Exchange Corporation (Taipei Exchange, TPEx (Gre Tai Securities Market, GTSM)), the company shall upload the information to MOPS within stipulated time.

Article 19: Administrative personnel of General Meeting shall wear ID badge or arm badge at the venue of the meeting. The Chairman may instruct a prefect team (or security personnel) to maintain order of the meeting. In maintaining order at the venue of the meeting, the prefect team (or security personnel) shall wear arm badge marking the word "prefect". Where the meeting place may be equipped with sound amplifier equipment, the Chairman shall stop any speech delivered by shareholders not using the equipment installed by the company. In the event of insubordination to the correction of the Chairman, obstruction of the progress of the meeting and failure to take corrective action upon persuasion, the respective shareholder shall be escorted by the prefect or security personnel to leave the venue on the order of the Chairman.

Article 20: This procedure was instituted on June 23 2006 under the resolution of the Board of Directors and ratification of the General Meeting of Shareholders for coming into full force. The same procedure shall be applicable to any amendment thereto.
Amendment for the 2nd instance was made on March 20 2006 under the resolution of the Board of Directors and presented to the General Meeting for ratification on June 23 2006.
Amendment for the 3rd instance was made on March 28 2011 under the resolution of the Board of Directors and presented to the General Meeting for ratification on June 17 2011.
Amendment for the 4th instance was made on March 13 2012 under the resolution of the Board of Directors and presented to the General Meeting for ratification on June 15 2012

Appendix III

MPI Corporation

Shareholding of all Directors and Supervisors and the minimum requirement of shareholding

I. The mandatory requirement of shareholding by the Directors and the Supervisors of MPI Corporation current in office is shown below:

Outstanding shares of common stocks issued	78,612,392 shares
Minimum quantity of shareholding required for all Directors under law	6,288,991 shares
Minimum quantity of shareholding required for all Supervisors	628,899 shares

II. As of April 19 2014, the day on which transactions of shares were stopped, all the Directors and Supervisors of MPI Corporation had the following quantity of shares in holding:

Title	Name	Quantity of shareholding (share)	Proportion of shareholding
CEO	MPI Investment Co., Ltd. Representative: Steve Chen	8,334,626	10.60 %
President	MPI Investment Co., Ltd. Representative: Scott Kuo	8,334,626	10.60 %
Director	Micronics Japan Co., LTD Representative: Shinji Nomura	6,548,576	8.33 %
Independent Director	Hsu, Mei-Fang	244,441	0.31 %
Independent Director	Kao, Chin-Cheng	232,414	0.30 %
Supervisor	Liu, Fang-Sheng	255,471	0.32 %
Supervisor	Li, Tu-Cheng	649,349	0.83 %
Supervisor	Tsai, Chang-Shou	21,630	0.03 %
Quantity (shares) and proportion of shareholding by all Directors		15,360,057	19.54 %
Quantity (shares) and proportion of shareholding by all Supervisors		926,450	1.18 %

Appendix IV

The effect of stock dividend as proposed in this General Meeting on the operation performance and earnings per share of the company: not applicable.

Appendix V

Information on employee bonus and remunerations to the Directors and Shareholders proposed by the Board of Directors:

The proposal for distribution of earnings for FY 2013 has been resolved by the Board in a session dated March 28 2014. The details of the distribution plan are shown below:

I. Employees will be paid NTD 23,306,300 in cash dividend and NTD 0 in stock dividend while NTD 5,826,560 will be paid to the Directors and Supervisors as remuneration.

II. The aforementioned amount planned for distribution and cash dividend to employees recognized as expenses totaled NTD 28,070,679 and remuneration to the Directors and the Supervisors amounted to NTD 7,017,670 with discrepancy of NTD 5,955,489.

III. Reason for the discrepancy: The Board of Directors has taken into consideration shareholders' equity and the welfare of the employees with reference to industry standard and operation in the future, and thereby desires to revise the amount of employee bonus and remuneration to the Directors and the Supervisors.

IV. Accounting of the amount difference: primarily the adjustment in the estimates in accounting. The amount difference will be recognized as the income in FY 2014 after passing by the General Meeting for adjustment.