

Stock Symbol: 1325

Universal Incorporation and Subsidiaries

Consolidated Parent and Subsidiary Financial Report for the Year 2015

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Universal Incorporation and Subsidiaries
Consolidated Balance Sheets

(in Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2015		December 31, 2014	
		Amount	%	Amount	%
Current Assets					
1100	Cash and cash equivalents	\$ 152,665	7	\$ 237,629	11
1125	Available-for-sale financial assets - current	172,464	8	117,653	6
1147	Debt investments without active market - current	490,851	23	248,400	12
1150	Notes receivable	9,369	1	14,152	1
1170	Accounts receivables	152,397	7	198,507	10
1200	Other receivables	3,134	-	5,959	-
130X	Inventories	141,577	7	183,633	9
1412	Prepayment for lease	352	-	360	-
1470	Other current assets	27,593	1	32,544	1
11XX	Total current assets	1,150,402	54	1,038,837	50
Non-current Assets					
1543	Financial assets measured at cost – non-current	58,738	3	69,116	3
1600	Property, plant and equipment	892,606	42	943,645	46
1821	Other intangible assets	111	-	70	-
1840	Deferred income tax assets	4,982	-	7,657	-
1920	Refundable deposits	254	-	255	-
1985	Long-term prepayment for lease	9,929	1	10,519	1
15XX	Total non-current assets	966,620	46	1,031,262	50
1XXX	Total Assets	\$ 2,117,022	100	\$ 2,070,099	100
Liabilities and Equity					
Current Liabilities					
2170	Accounts payable	\$ 40,158	2	\$ 21,055	1
2219	Other payables	31,721	1	33,068	2
2230	Current income tax liabilities	14,825	1	2,406	-
2320	Long-term bank loans due within one year	-	-	819	-
2399	Other current liabilities	1,786	-	2,939	-
21XX	Total current liabilities	88,490	4	60,287	3
Non-current Liabilities					
2540	Long-term bank loans	-	-	2,457	-
2570	Deferred income tax liabilities	52,403	3	53,657	3
2640	Net defined benefit liability – non-current	25,106	1	41,543	2
25XX	Total non-current liabilities	77,509	4	97,657	5
2XXX	Total liabilities	165,999	8	157,944	8
Equity Attributable to Shareholders of the Parent					
Capital stock					
3110	Common stock	1,003,308	47	1,003,308	48
3200	Capital surplus	2,954	-	2,184	-
Retained earnings					
3310	Appropriated as legal capital reserve	179,555	9	173,675	9
3320	Appropriated as special capital reserve	147,497	7	147,626	7
3350	Un-appropriated earnings	510,999	24	462,014	22
3300	Total retained earnings	838,051	40	783,315	38
3400	Other equity	11,788	1	19,483	1
31XX	Equity attributable to shareholders of the parent	1,856,101	88	1,808,290	87
36XX	Non-controlling interests	94,922	4	103,865	5
3XXX	Total equity	1,951,023	92	1,912,155	92
Total Liabilities and Equity		\$ 2,117,022	100	\$ 2,070,099	100

President
Mei-hui Huang

General Manager
Mei-hui Huang

Supervisor
Shu-chi Liao

Universal Incorporation and Subsidiaries
Consolidated Statements of Comprehensive Income
(in Thousands of New Taiwan Dollars)

代碼	For the Year 2015		For the Year 2014	
	Amount	%	Amount	%
Operating Revenue				
4100 Sales Revenue	\$ 1,109,886	100	\$ 1,205,434	100
Operating Costs				
5110 Cost of goods Sold	935,416	84	1,096,871	91
5900 Gross Profit	174,470	16	108,563	9
Operating Expenses				
6100 Marketing	24,116	2	28,932	3
6200 General and administrative	39,570	4	38,508	3
6300 Research and development	9,369	1	12,073	1
6000 Total operating expenses	73,055	7	79,513	7
6900 Income from Operations	101,415	9	29,050	2
Non-Operating Income and Expenses				
7010 Other income	15,271	1	19,386	2
7020 Other gains and losses	4,854	1	22,923	2
7050 Finance costs	(55)	-	(111)	-
7000 Total non-operating income and expenses	20,070	2	42,198	4
7900 Income Before Income Tax	121,485	11	71,248	6
7950 Income Tax Expense	23,241	2	14,628	1
8200 Net Income	98,244	9	56,620	5
Other Comprehensive Income (Loss)				
8310 Items that will not be reclassified subsequently to profit or loss				
8311 Re-measurement of defined benefit obligation	(\$1,776)	-	(2,350)	-
8349 Income tax benefit (expense) related to items that will not be reclassified subsequently	302	-	400	-
8360 Items that may be reclassified subsequently to profit or loss				
8361 Exchange differences arising on translation of foreign operations	(8,506)	(1)	\$ 20,769	1
8362 Unrealized gain (loss) from available-for-sale financial assets	287	-	211	-
8300 Other comprehensive income for the period, net of income tax	(9,693)	(1)	19,030	1
8500 Total comprehensive income for the period	\$ 88,551	8	\$ 75,650	6
Net Income (Loss) Attributable To:				
8610 Shareholders of the parent	\$ 100,014	9	\$ 58,797	5
8620 Non-controlling interests	(1,770)	-	(2,177)	-
8600	\$ 98,244	9	\$ 56,620	5
Total Comprehensive Income (Loss) Attributable To:				
8710 Shareholders of the parent	\$ 92,319	8	\$ 72,096	6
8720 Non-controlling interests	(3,768)	-	3,554	-
8700	\$ 88,551	8	\$ 75,650	6
Earnings Per Share				
9750 Basic earnings per share	\$ 1.00		\$ 0.58	
9850 Diluted earnings per share	\$ 1.00		\$ 0.58	

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Universal Incorporation and Subsidiaries
Consolidated Statements of Changes in Equity

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent												
		Capital Surplus			Retained Earnings			Others			Treasury Shares	Total	Non-controlling Interests	Total Equity
				Others	Legal capital Reserve	Special Capital Reserve	Un-appropriated Earnings	Re-measurement of defined benefit obligation	Exchange Differences on Translating Foreign Operations	Unrealized Gain/Loss From Available-for-Sale Financial Assets				
Code		Capital Stock	Treasury Stock											
A1	Balance, January 1, 2014	\$ 1,006,828	\$ 765	\$ 1,425	\$ 166,431	\$ 147,626	\$ 480,151	\$ -	\$ 4,397	(\$ 247)	\$ -	\$ 1,807,376	\$ 105,137	\$ 1,912,513
A3	Effect of retrospective application	-	-	-	-	-	(2,034)	2,034	-	-	-	-	-	-
A5	Adjusted Balance, January 1, 2014	1,006,828	765	1,425	166,431	147,626	478,117	2,034	4,397	(247)	-	1,807,376	105,137	1,912,513
	Appropriation of 2013 earnings													
B1	Legal capital reserve	-	-	-	7,244	-	(7,244)	-	-	-	-	-	-	-
B5	Cash dividend distributed by the company	-	-	-	-	-	(65,444)	-	-	-	-	(65,444)	-	(65,444)
M5	Additional acquisition of partially-owned subsidiaries	-	-	759	-	-	-	-	-	-	-	759	(4,826)	(4,067)
D1	Net income for the year ended December 31, 2014	-	-	-	-	-	58,797	-	-	-	-	58,797	(2,177)	56,620
D3	Other comprehensive income for the year ended December 31, 2014, net of income tax	-	-	-	-	-	-	(1,950)	15,038	211	-	13,299	5,731	19,030
D5	Total comprehensive income for the year ended December 31, 2014	-	-	-	-	-	58,797	(1,950)	15,038	211	-	72,096	3,554	75,650
L1	Purchase of Treasury Shares	-	-	-	-	-	-	-	-	-	(6,497)	(6,497)	-	(6,497)
L3	Write off Treasury shares	(3,520)	(765)	-	-	-	(2,212)	-	-	-	6,497	-	-	-
Z1	Adjusted Balance, December 31, 2014	1,003,308	-	2,184	173,675	147,626	462,014	84	19,435	(36)	-	1,808,290	103,865	1,912,155
	Appropriation of 2014 earnings													
B1	Legal capital reserve	-	-	-	5,880	-	(5,880)	-	-	-	-	-	-	-
B3	Special Capital Reserve	-	-	-	-	(129)	-	-	-	-	-	(129)	-	(129)
B5	Cash dividend distributed by the company	-	-	-	-	-	(45,149)	-	-	-	-	(45,149)	-	(45,149)
M5	Additional acquisition of partially-owned subsidiaries	-	-	770	-	-	-	-	-	-	-	770	(5,175)	(4,405)
D1	Net income for the year ended December 31, 2015	-	-	-	-	-	100,014	-	-	-	-	100,014	(1,770)	98,244
D3	Other comprehensive income for the year ended December 31, 2015, net of income tax	-	-	-	-	-	-	(1,474)	(6,508)	287	-	(7,695)	(1,998)	(9,693)
D5	Total comprehensive income for the year ended December 31, 2015	-	-	-	-	-	100,014	(1,474)	(6,508)	287	-	92,319	(3,768)	88,551
Z1	Balance, December 31, 2015	\$ 1,003,308	\$ -	\$ 2,954	\$ 179,555	\$ 147,497	\$ 510,999	(\$ 1,390)	\$ 12,927	\$ 251	\$ -	\$ 1,856,101	\$ 94,922	\$ 1,951,023

President
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General Manager
Mei-hui Huang

Supervisor
Shu-chi Liao

Universal Incorporation and Subsidiaries
Consolidated Statements of Cash Flows

(In Thousands of New Taiwan Dollars)

Code		For the Year 2015	For the Year 2014
	Cash Flows from Operating Activities		
A10000	Income before income tax	\$ 121,485	\$ 71,248
A20010	Adjustments for:		
A20100	Depreciation expense	71,463	69,935
A20200	Amortization expense	91	161
A29900	Amortization of prepayment for lease	355	343
A20900	Finance costs	55	111
A21200	Interest income	(10,599)	(13,612)
A21300	Dividend income	(1,124)	(619)
A22500	Loss on disposal of property, plant and equipment	63	81
A23100	Gain on disposal of available-for-sale financial assets, net	(190)	(385)
A23700	Write-down of inventories	256	540
A24100	Net foreign exchange losses (gains)	5,853	(8,457)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	4,783	23,213
A31150	Accounts receivable	44,821	(14,428)
A31180	Other receivables	2,480	(2,193)
A31200	Inventories	40,797	13,675
A31240	Other current assets	4,951	(4,324)
A32150	Accounts payable	18,933	(52,173)
A32180	Other payables	1,853	1,392
A32230	Other current liabilities	(1,199)	(4,090)
A32240	Net defined benefit liability	(18,213)	24
A33000	Cash generated from operations	286,914	80,442
A33100	Interest received	10,918	16,973
A33300	Interest paid	(71)	(100)
A33500	Income taxes paid	(9,099)	(14,247)
AAAA	Net cash inflow generated by operating activities	<u>288,662</u>	<u>83,068</u>
	Cash Flows from Investing Activities		
B00300	Acquisitions of available-for-sale financial assets	(203,271)	(\$ 330,000)
B00400	Proceeds from disposal or redemption of available-for-sale financial assets	148,937	289,704

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Code		For the Year 2015	For the Year 2014
B00600	Acquisitions of debt investments with no active market	(\$ 246,773)	
B00700	Proceeds from disposal or redemption of debt investments with no active market	-	124,533
B01400	Proceeds from decreased capital of financial assets measured at cost – non-current	10,378	-
B02700	Payments for property, plant and equipment	(30,001)	(55,156)
B02800	Proceeds from disposal of property, plant and equipment	4	35
B04500	Payments for Other intangible assets	(133)	
B03700	Increase in refundable deposits	-	(2)
B07600	Other dividend received	<u>1,124</u>	<u>619</u>
BBBB	Net cash inflow (outflow) generated from investing activities	(<u>319,735</u>)	<u>29,733</u>
Cash Flows from Financing Activities			
C01700	Repayments of long-term borrowings	(3,234)	(187)
C04500	Dividends paid to owners of the Company	(45,149)	(65,444)
C04900	Purchase of Treasury Shares	-	(6,497)
C05400	Payments for additional acquisition of partially-owned subsidiaries	(<u>4,405</u>)	(<u>4,067</u>)
CCCC	Net cash used in financing activities	(<u>52,788</u>)	(<u>76,195</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>1,103</u>)	<u>2,337</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(84,964)	38,943
E00100	Cash and cash equivalents, beginning of period	<u>237,629</u>	<u>198,686</u>
E00200	Cash and cash equivalents, end of period	<u>\$ 152,665</u>	<u>\$ 237,629</u>

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