

Super Micro Computer, Inc.
Form 10-K/A
November 16, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K/A
Amendment No.1

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the fiscal year ended June 30, 2015

or

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____
Commission File Number 001-33383

Super Micro Computer, Inc.
(Exact name of registrant as specified in its charter)
Delaware
(State or other jurisdiction of
incorporation or organization)
980 Rock Avenue
San Jose, CA 95131
(Address of principal executive offices, including zip code)
(408) 503-8000
(Registrant's telephone number, including area code)

77-0353939
(I.R.S. Employer
Identification No.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$0.001 par value per share

Name of each exchange on which registered
The NASDAQ Stock Market LLC

Securities registered pursuant to section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this

Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b of the Exchange Act) Yes No

The aggregate market value of the registrant's Common Stock held by non-affiliates, based upon the closing price of the Common Stock on December 31, 2014, as reported by the NASDAQ Global Select Market, was \$1,263,882,520. Shares of Common Stock held by each executive officer and director and by each person who owns 5% or more of the outstanding Common Stock, based on filings with the Securities and Exchange Commission, have been excluded since such persons may be deemed affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of August 20, 2015 there were 47,521,065 shares of the registrant's common stock, \$0.001 par value, outstanding, which is the only class of common stock of the registrant issued.

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DOCUMENTS INCORPORATED BY REFERENCE

None

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Explanatory Note

Super Micro Computer, Inc. (the “Company,” “we,” “us,” or “our”) is filing this Amendment No. 1 on Form 10-K/A (this “Amendment”) to its annual report on Form 10-K for the fiscal year ended June 30., 2015, which was originally filed on September 10, 2015 (the “Original Filing”), to amend Item 8 of Part II, "Financial Statements and Supplementary Data" and to amend and restate Item 9A of Part II, “Controls and Procedures,” with respect to (1) our conclusions regarding the effectiveness of our disclosure controls and procedures and our internal control over financial reporting and (2) Deloitte & Touche LLP’s related attestation report.

As required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), new certifications of our principal executive officer and principal financial and accounting officer are also being filed as exhibits to this Amendment. This Amendment should be read in conjunction with the Original Filing, which continues to speak as of the date of the Original Filing. Except as specifically noted above, this Amendment does not modify or update disclosures in the Original Filing. Accordingly, this Amendment does not reflect events occurring after the filing of the Original Filing or modify or update any related or other disclosures.

PART II

Item 8. Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Super Micro Computer, Inc.
San Jose, California

We have audited the accompanying consolidated balance sheets of Super Micro Computer, Inc. and subsidiaries (the "Company") as of June 30, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended June 30, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Super Micro Computer, Inc. and subsidiaries as of June 30, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended June 30, 2015, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 9 to the consolidated financial statements, the Company has significant purchases from and sales to a related party.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of June 30, 2015, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated September 10, 2015 (November 16, 2015 as to the effects of the material weakness described in Management's Report on Internal Control over Financial Reporting (Revised)) expressed an adverse opinion on the Company's internal control over financial reporting due to a material weakness.

/s/ Deloitte & Touche LLP
San Jose, California
September 10, 2015

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SUPER MICRO COMPUTER, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	June 30, 2015	June 30, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$95,442	\$96,872
Accounts receivable, net of allowances of \$1,628 and \$1,922 at June 30, 2015 and 2014, respectively (including amounts receivable from a related party of \$13,186 and \$621 at June 30, 2015 and 2014, respectively)	322,594	212,738
Inventory	463,493	315,837
Deferred income taxes-current	17,863	16,842
Prepaid income taxes	7,507	5,555
Prepaid expenses and other current assets	7,516	6,237
Total current assets	914,415	654,081
Long-term investments	2,633	2,647
Property, plant and equipment, net	163,038	130,589
Deferred income taxes-noncurrent	4,497	6,154
Other assets	5,226	2,854
Total assets	\$1,089,809	\$796,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable (including amounts due to a related party of \$59,015 and \$48,969 at June 30, 2015 and 2014, respectively)	\$299,774	\$219,354
Accrued liabilities	46,743	37,564
Income taxes payable	14,111	11,414
Short-term debt and current portion of long-term debt	93,479	42,554
Total current liabilities	454,107	310,886
Long-term debt-net of current portion	933	3,733
Other long-term liabilities	15,684	12,475
Total liabilities	470,724	327,094
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Common stock and additional paid-in capital, \$0.001 par value		
Authorized shares: 100,000,000		
Issued shares: 47,873,744 and 45,739,936 at June 30, 2015 and 2014, respectively	247,081	199,062
Treasury stock (at cost), 445,028 shares at June 30, 2015 and 2014	(2,030)	(2,030)
Accumulated other comprehensive loss	(80)	(63)
Retained earnings	373,950	272,087
Total Super Micro Computer, Inc. stockholders' equity	618,921	469,056
Noncontrolling interest	164	175
Total stockholders' equity	619,085	469,231
Total liabilities and stockholders' equity	\$1,089,809	\$796,325

See accompanying notes to consolidated financial statements.

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SUPER MICRO COMPUTER, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Years Ended June 30,		
	2015	2014	2013
Net sales (including related party sales of \$58,013, \$14,576 and \$13,805 in fiscal years 2015, 2014 and 2013, respectively)	\$1,991,155	\$1,467,202	\$1,162,561
Cost of sales (including related party purchases of \$227,562, \$201,848 and \$179,735 in fiscal years 2015, 2014 and 2013, respectively)	1,670,924	1,241,657	1,002,508
Gross profit	320,231	225,545	160,053
Operating expenses:			
Research and development	100,257	84,257	75,208
Sales and marketing	48,851	38,012	33,785
General and administrative	24,377	23,017	23,902
Total operating expenses	173,485	145,286	132,895
Income from operations	146,746	80,259	27,158
Interest and other income, net	115	92	48
Interest expense	(965	) (757	) (610
Income before income tax provision	145,896	79,594	26,596
Income tax provision	44,033	25,437	5,317
Net income	\$101,863	\$54,157	\$21,279
Net income per common share:			
Basic	\$2.19	\$1.24	\$0.50
Diluted	\$2.03	\$1.16	\$0.48
Weighted-average shares used in calculation of net income per common share:			
Basic	46,434	43,599	41,992
Diluted	50,094	46,512	43,907

See accompanying notes to consolidated financial statements.

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SUPER MICRO COMPUTER, INC.
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (in thousands)

	Years Ended June 30,		2013
	2015	2014	
Net income	\$ 101,863	\$ 54,157	\$ 21,279
Other comprehensive income, net of tax:			
Foreign currency translation loss	(9	) —	(1
Unrealized gains (loss) on investments	(8	) 6	8
Total other comprehensive income (loss)	(17	) 6	7
Comprehensive income	\$ 101,846	\$ 54,163	\$ 21,286

See accompanying notes to consolidated financial statements.

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SUPER MICRO COMPUTER, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share amounts)

	Common Stock and Additional Paid-In Capital		Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Non-controlling Interest	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at June 30, 2012	42,034,416	\$ 143,806	(445,028)	\$(2,030)	\$ (76)	\$ 196,651	\$ —	\$ 338,351
Exercise of stock options	612,034	1,845	—	—	—	—	—	1,845
Issuance of restricted stock awards, net of taxes	98,050	(1,034)	—	—	—	—	—	(1,034)
Stock-based compensation	—	11,361	—	—	—	—	—	11,361
Tax benefit resulting from stock option transactions	—	1,734	—	—	—	—	—	1,734
Unrealized gains on investments	—	—	—	—	8	—	—	8
Translation adjustments	—	—	—	—	(1)	—	—	(1)
Investment in noncontrolling interest	—	—	—	—	—	—	168	168
Net income	—	—	—	—	—	21,279	13	21,292
Balance at June 30, 2013	42,744,500	157,712	(445,028)	(2,030)	(69)	217,930	181	373,724
Exercise of stock options	2,863,878	23,928	—	—	—	—	—	23,928
Issuance of restricted stock awards, net of taxes	131,558	(681)	—	—	—	—	—	(681)
Stock-based compensation	—	11,062	—	—	—	—	—	11,062
Tax benefit resulting from stock option transactions	—	7,041	—	—	—	—	—	7,041
Unrealized gains on investments	—	—	—	—	6	—	—	6
Net income	—	—	—	—	—	54,157	(6)	54,151
Balance at June 30, 2014	45,739,936	199,062	(445,028)	(2,030)	(63)	272,087	175	469,231
Exercise of stock options	2,124,401	23,338	—	—	—	—	—	23,338
	9,407	(175)	—	—	—	—	—	(175)

Issuance of restricted stock units, net of taxes								
Stock-based compensation	—	13,699	—	—	—	—	—	13,699
Tax benefit resulting from stock option and restricted stock unit transactions	—	11,157	—	—	—	—	—	11,157
Unrealized loss on investments	—	—	—	—	(8	)	—	(8
Translation adjustments					(9	)		(9
Net income	—	—	—	—	—	101,863	(11)
Balance at June 30, 2015	47,873,744	\$247,081	(445,028)	\$(2,030)	\$ (80)	\$373,950	\$ 164
								\$ 619,085

See accompanying notes to consolidated financial statements.

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SUPER MICRO COMPUTER, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended June 30,		
	2015	2014	2013
OPERATING ACTIVITIES:			
Net income	\$101,863	\$54,157	\$21,279
Reconciliation of net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	8,133	6,364	7,835
Stock-based compensation expense	13,699	11,062	11,361
Excess tax benefits from stock-based compensation	(8,089)	(2,992)	(865)
Allowance for doubtful accounts	326	1,476	929
Provision for inventory	5,928	2,254	9,725
Exchange gain	(675)	(96)	(153)
Deferred income taxes	632	65	(7,010)
Changes in operating assets and liabilities:			
Accounts receivable, net (including changes in related party balances of \$(12,565), \$353 and \$62 in fiscal years 2015, 2014, 2013, respectively)	(110,182)	(64,874)	(48,255)
Inventory	(153,584)	(63,921)	12,704
Prepaid expenses and other assets	(2,741)	618	(67)
Accounts payable (including changes in related party balances of \$10,046, \$(1,479) and \$(1,022) in fiscal years 2015, 2014 and 2013, respectively)	75,520	46,298	(2,208)
Income taxes payable, net	11,951	10,880	4,490
Accrued liabilities	9,551	3,293	4,384
Other long-term liabilities	3,032	1,954	(566)
Net cash provided by (used in) operating activities	(44,636)	6,538	13,583
INVESTING ACTIVITIES:			
Restricted cash	(416)	406	(412)
Proceeds from investments	—	—	300
Purchases of property, plant and equipment	(35,100)	(40,567)	(5,001)
Investment in a privately held company	(661)	—	—
Net cash used in investing activities	(36,177)	(40,161)	(5,113)
FINANCING ACTIVITIES:			
Proceeds from exercise of stock options	23,338	23,928	1,845
Minimum tax withholding paid on behalf of employees for restricted stock awards	(175)	(681)	(1,034)
Excess tax benefits from stock-based compensation	8,089	2,992	865
Proceeds from debt	84,900	17,354	20,641
Repayment of debt	(36,000)	(6,320)	(18,073)
Payment of obligations under capital leases	(134)	(47)	(40)
Contributions from noncontrolling interests	—	—	168
Advances (payments) under receivable financing arrangements	33	(4)	(610)
Net cash provided by financing activities	80,051	37,222	3,762
Effect of exchange rate fluctuations on cash	(668)	235	(20)
Net increase (decrease) in cash and cash equivalents	(1,430)	3,834	12,212
Cash and cash equivalents at beginning of year	96,872	93,038	80,826
Cash and cash equivalents at end of year	\$95,442	\$96,872	\$93,038

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Supplemental disclosure of cash flow information:

Cash paid for interest	\$933	\$757	\$718
Cash paid for taxes, net of refunds	\$30,671	\$13,096	\$8,074
Non-cash investing and financing activities:			
Equipment purchased under capital leases	\$442	\$283	\$85
Accrued costs for property, plant and equipment purchases	\$6,826	\$2,021	\$1,871

See accompanying notes to consolidated financial statements.

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SUPER MICRO COMPUTER, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Organization

Super Micro Computer, Inc. (“Super Micro Computer”) was incorporated in 1993. Super Micro Computer is a global leader in server technology and green computing innovation. Super Micro Computer develops and provides high performance server solutions based upon an innovative, modular and open-standard architecture. Super Micro Computer has operations primarily in San Jose, California, the Netherlands, Taiwan, China and Japan.

Basis of Presentation

The consolidated financial statements reflect the consolidated balance sheets, results of operations and cash flows of Super Micro Computer, Inc. and its wholly-owned subsidiaries (collectively, the “Company”). All intercompany accounts and transactions have been eliminated in consolidation.

The Company consolidates its investment in Super Micro Asia Science and Technology Park, Inc. as it is variable interest entity and the Company is the primary beneficiary. The noncontrolling interest is presented as a separate component from the Company's equity in the equity section of the Consolidated Balance Sheets. Net income attributable to the noncontrolling interest is not presented separately in the Consolidated Statements of Operations and is included in the general and administrative expenses as the amount is not material for any of the fiscal periods presented.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates include, but are not limited to: allowances for doubtful accounts and sales returns, inventory valuation, product warranty accruals, stock-based compensation, impairment of short-term and long-term investments and income taxes. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The Company accounts for certain assets and liabilities at fair value. Accounts receivable and accounts payable are carried at cost, which approximates fair value due to the short maturity of these instruments. Cash equivalents and long-term investments are carried at fair value. Short-term and long-term debt is carried at amortized cost, which approximates its fair value based on borrowing rates currently available to the Company for loans with similar terms. The hierarchy below lists three levels of fair value based on the extent to which inputs used in measuring fair value are observable in the market. The Company categorizes each of its fair value measurements in one of these three levels based on the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly; and

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with an original maturity of three months or less from the date of purchase to be cash equivalents. Cash equivalents consist primarily of money market funds and certificates of deposits with maturities of less than three months.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Long-term Investments

The Company classifies its long-term investments in auction-rate securities ("auction rate securities") as long-term available-for-sale investments. Auction rate securities consist of municipal securities. The discounted cash flow model is used to estimate the fair value of the auction rate securities. These investments are recorded in the Consolidated Balance Sheets at fair value. Unrealized gains and losses on these investments are included as a component of accumulated other comprehensive income, net of tax.

Inventory

Inventory is valued at the lower of cost or market. Inventory consists of raw materials (principally components), work in process (principally products being assembled) and finished goods. Market value represents net realizable value for finished goods and work in process and replacement value of raw materials and parts. The Company evaluates inventory on a quarterly basis for lower of cost or market and excess and obsolescence and, as necessary, writes down the valuation of units to lower of cost or market or for excess and obsolescence based upon the number of units that are unlikely to be sold based upon estimated demand for the following twelve months as well as historical usage and sales activity. This evaluation takes into account matters including expected demand, historical usage and sales, anticipated sales price, product obsolescence and other factors. If actual future demand for the Company's products is less than currently forecasted, additional inventory adjustments may be required. Once a reserve is established, it is maintained until the product to which it relates is sold or scrapped. If a unit that has been written down is subsequently sold, the cost associated with the revenue from this unit is reduced to the extent of the write down, resulting in an increase in gross profit. The Company monitors the extent to which previously written down inventory is sold at amounts greater or less than carrying value, and based on this analysis, adjusts its estimate for determining future write downs. If in future periods, the Company experiences or anticipates a change in recovery rate compared with its historical experience, its gross margin would be affected. During fiscal years 2015, 2014 and 2013, the Company recorded a provision for lower of cost or market and excess and obsolete inventory totaling \$5,928,000, \$2,254,000 and \$9,725,000, respectively.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost and depreciated using the straight-line method over the estimated useful lives of the related assets as follows:

Machinery and equipment	3 to 7 years
Furniture and fixtures	5 years
Software	3 to 5 years
Buildings	39 years
Building improvements	20 years
Land improvements	15 years
Leasehold improvements	shorter of lease term or estimated useful life

For assets acquired and financed under capital leases, the present value of the future minimum lease payments is recorded at the date of acquisition as property and equipment with the corresponding amount recorded as a capital lease obligation, and the amortization is computed on a straight-line basis over the shorter of lease term or estimated useful life.

Other Assets

As of June 30, 2015, other assets consist primarily of a long-term deferred service costs of \$1,490,000, investments in privately held companies of \$1,411,000, a long-term prepaid royalty license of \$997,000 and restricted cash of \$840,000. As of June 30, 2014, other assets consist primarily of a long-term prepaid royalty license of \$1,246,000, an investment in a privately held company of \$750,000 and restricted cash of \$450,000. Restricted cash consists primarily of certificates of deposits pledged as security for one irrevocable letter of credit required in connection with a warehouse lease in Fremont, California, one deposit to an escrow account required by the Company's worker's compensation program and bank guarantees in connection with office leases in the Netherlands.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Long-Lived Assets

The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When the sum of the undiscounted future net cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount, an impairment loss would be measured based on the fair value of the asset compared to the carrying amount. No impairment charge has been recorded in any of the periods presented.

Revenue Recognition

The Company recognizes revenue from sales of products when persuasive evidence of an arrangement exists, shipment has occurred and title has transferred, the sales price is fixed or determinable, collection of the resulting receivable is reasonably assured, and all significant obligations have been met. Generally this occurs at the time of shipment when risk of loss and title has passed to the customer. The Company's standard arrangement with its customers includes a signed purchase order or contract, 30 to 60 days payment terms, Ex-works terms, except for a few customers who have free-on-board destination terms, for which revenue is recognized when the products arrive at the destination. The Company generally does not provide for non-warranty rights of return except for products which have "Out-of-box" failure, where customers could return these products for credit within 30 days of receiving the items. Certain distributors and OEMs are also permitted to return products in unopened boxes, limited to purchases over a specified period of time, generally within 60 to 90 days of the purchase, or to products in the distributor's or OEM's inventory at certain times (such as the termination of the agreement or product obsolescence). To estimate reserves for future sales returns, the Company regularly reviews its history of actual returns for each major product line. The Company also communicates regularly with our distributors to gather information about end customer satisfaction, and to determine the volume of inventory in the channel. Reserves for future returns are adjusted as necessary, based on returns experience, returns expectations and communication with distributors

In addition, certain customers have acceptance provisions and revenue is deferred until the customers provide the necessary acceptance. At June 30, 2015 and 2014, the Company had deferred revenue of \$459,000 and \$7,665,000 and related deferred product costs of \$219,000 and \$6,674,000, respectively, related to shipments to customers pending acceptance.

Probability of collection is assessed on a customer-by-customer basis. Customers are subjected to a credit review process that evaluates the customers' financial position and ability to pay. If it is determined from the outset of an arrangement that collection is not probable based upon the review process, the customers are required to pay cash in advance of shipment. The Company also makes estimates of the uncollectibility of accounts receivable, analyzing accounts receivable and historical bad debts, customer concentrations, customer-credit-worthiness, current economic trends and changes in customer payment terms to evaluate the adequacy of the allowance for doubtful accounts. On a quarterly basis, the Company evaluates aged items in the accounts receivable aging report and provides an allowance in an amount the Company deems adequate for doubtful accounts. Our provision for bad debt was \$326,000, \$1,476,000 and \$929,000 in fiscal years 2015, 2014 and 2013, respectively. If a major customer's creditworthiness deteriorates, if actual defaults are higher than the Company's historical experience, or if other circumstances arise, the Company's estimates of the recoverability of amounts due to the Company could be overstated, and additional allowances could be required, which could have an adverse impact on its reported operating expenses. The Company provides for price protection to certain distributors. The Company assesses the market competition and product technology obsolescence, and makes price adjustments based on its judgment. Upon each announcement of price

reductions, the accrual for price protection is calculated based on the distributors' inventory on hand. Such reserves are recorded as a reduction to revenue at the time the Company reduces the product prices.

The Company has an immaterial amount of service revenue relating to on-site service and non-warranty repairs. Revenue for on-site service is recognized over the contracted service period, and revenue for non-warranty repair service is recognized upon shipment of the repaired units to customers. Service revenue has been less than 10% of net sales for all periods presented and is not separately disclosed.

Cost of Sales

Cost of sales primarily consists of the costs of materials, contract manufacturing, in-bound shipping, personnel and related expenses, equipment and facility expenses, warranty costs and provision for lower of cost or market and excess and obsolete inventory.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Product Warranties

The Company offers product warranties ranging from 15 to 39 months against any defective products. The Company accrues for estimated returns of defective products at the time revenue is recognized based on historical warranty experience and recent trends. The Company monitors warranty obligations and may make revisions to its warranty reserve if actual costs of product repair and replacement are significantly higher or lower than estimated. Accruals for anticipated future warranty costs are charged to cost of sales and included in accrued liabilities. The Company's estimates and assumptions used have been historically close to actual. If in future periods the Company experiences or anticipates an increase or decrease in warranty claims as a result of new product introductions or changes in unit volumes compared with its historical experience, or if the cost of servicing warranty claims is greater or lesser than expected, the Company intends to adjust its estimates appropriately. The following table presents for the years ended June 30, 2015, 2014 and 2013, the reconciliation of the changes in accrued warranty costs which is included as a component of accrued liabilities (in thousands):

	June 30,		
	2015	2014	2013
Balance, beginning of year	\$7,083	\$6,472	\$5,522
Provision for warranty	15,771	14,175	13,438
Costs charged to accrual	(14,950)	(13,950)	(12,487)
Change in estimated liability for pre-existing warranties	(204)	386	(1)
Balance, end of year	\$7,700	\$7,083	\$6,472

Software Development Costs

Software development costs are included in research and development and are expensed as incurred. Software development costs are capitalized beginning when technological feasibility has been established and ending when a product is available for general release to customers. To date, the period between achieving technological feasibility and the issuance of such software has been short and software development costs qualifying for capitalization have been insignificant.

Research and Development

Research and development costs are expensed as incurred and consist primarily of salaries, consulting services, other direct expenses and other engineering expenses. The Company occasionally receives funding from certain suppliers and customers towards its development efforts. Such amounts are recorded as a reduction of research and development expenses and were \$6,318,000, \$3,132,000 and \$2,112,000 for the years ended June 30, 2015, 2014 and 2013, respectively.

Cooperative Marketing Arrangements

The Company has arrangements with resellers of its products to reimburse the resellers for cooperative marketing costs meeting specified criteria. The Company accrues the cooperative marketing costs based on these arrangements and its estimate for resellers' claims for marketing activities. The Company records marketing costs meeting such specified criteria within sales and marketing expenses in the consolidated statements of operations. For those marketing costs that do not meet the specified criteria, the amounts are recorded as a reduction to sales in the consolidated statements of operations.

Total cooperative marketing costs charged to sales and marketing expenses for the years ended June 30, 2015, 2014 and 2013, were \$1,995,000, \$2,058,000 and \$1,550,000, respectively. Total amounts recorded as reductions to sales for the years ended June 30, 2015, 2014 and 2013, were \$4,200,000, \$2,829,000 and \$2,610,000, respectively.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising and promotional expenses, including cooperative marketing payments, were \$7,263,000, \$5,183,000 and \$4,085,000 for the years ended June 30, 2015, 2014 and 2013, respectively.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Stock-Based Compensation

The Company measures and recognizes the compensation expense for all share-based awards made to employees and non-employee members of the Board of Directors, including employee stock options and restricted stock units. The Company is required to estimate the fair value of share-based awards on the date of grant. The value of awards that are ultimately expected to vest is recognized as an expense over the requisite service periods. The fair value of our restricted stock units is based on the closing market price of the Company's common stock on the date of grant. The Company estimated the fair value of stock options granted using a Black-Scholes option pricing model and a single option award approach. This model requires the Company to make estimates and assumptions with respect to the expected term of the option, the expected volatility of the price of the Company's common stock and the expected forfeiture rate. The fair value is then amortized on a straight-line basis over the requisite service periods of the awards, which is generally the vesting period.

The expected term represents the period that the Company's stock-based awards are expected to be outstanding and was determined based on a combination of the Company's peer group and historical experience. The expected volatility is based on a combination of the Company's implied and historical volatility. In addition, forfeitures of share-based awards are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company uses historical data to estimate pre-vesting option and restricted stock unit forfeitures and record stock-based compensation expense only for those awards that are expected to vest.

Shipping and Handling Fees

The Company incurred shipping costs of \$2,090,000, \$1,605,000 and \$1,475,000 for the years ended June 30, 2015, 2014 and 2013, respectively, which were included in sales and marketing expenses.

Income Taxes

The Company accounts for income taxes under an asset and liability approach. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and such amounts recognized for income tax reporting purposes, net operating loss carry-forwards and other tax credits measured by applying currently enacted tax laws. Valuation allowances are provided when necessary to reduce deferred tax assets to an amount that is more likely than not to be realized.

The Company recognizes the tax liability for uncertain income tax positions on the income tax return based on the two-step process. The first step is to determine whether it is more likely than not that each income tax position would be sustained upon audit. The second step is to estimate and measure the tax benefit as the amount that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority. Estimating these amounts requires the Company to determine the probability of various possible outcomes. The Company evaluates these uncertain tax positions on a quarterly basis. This evaluation is based on the consideration of several factors, including changes in facts or circumstances, changes in applicable tax law, settlement of issues under audit and new exposures. If the Company later determines that its exposure is lower or that the liability is not sufficient to cover its revised expectations, the Company adjusts the liability and effects a related change in its tax provision during the period in which the Company makes such determination.

Foreign Currency Translation

The functional currency of the Company's international subsidiaries is the U.S. dollar. Assets and liabilities of the Company's international subsidiaries that are denominated in the local currency are remeasured into U.S. dollars at period-end exchange rates and revenue and expenses that are denominated in the local currency are remeasured into U.S. dollars at the average exchange rates during the period. Accordingly, remeasurement of foreign currency accounts and foreign exchange transaction gains and losses, which have not been material, are reflected in the consolidated statements of operations.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Net Income Per Common Share

The Company's restricted share awards are subject to repurchase and settled in shares of common stock upon vesting. Such awards have the nonforfeitable right to receive dividends on an equal basis with common stock and therefore are considered participating securities that must be included in the calculation of net income per share using the two-class method. Under the two-class method, basic and diluted net income per common share is determined by calculating net income per share for common stock and participating securities based on participation rights in undistributed earnings. Diluted net income per common share is calculated by adjusting outstanding shares, assuming any dilutive effects of stock incentive awards calculated using the treasury stock method. Under the treasury stock method, an increase in the fair market value of our common stock results in a greater dilutive effect from outstanding stock options and restricted stock units. Additionally, the exercise of employee stock options and the vesting of restricted stock units results in a further dilutive effect on net income per share.

The computation of basic and diluted net income per common share using the two-class method is as follows (in thousands, except per share amounts):

	Years Ended June 30,		
	2015	2014	2013
Basic net income per common share calculation			
Net income	\$ 101,863	\$ 54,157	\$ 21,279
Less: Undistributed earnings allocated to participating securities	—	(36	) (106
Net income attributable to common shares—basic	\$ 101,863	\$ 54,121	\$ 21,173
Weighted-average number of common shares used to compute basic net income per common share	46,434	43,599	41,992
Basic net income per common share	\$ 2.19	\$ 1.24	\$ 0.50
Diluted net income per common share calculation			
Net income	\$ 101,863	\$ 54,157	\$ 21,279
Less: Undistributed earnings allocated to participating securities	—	(34	) (101
Net income attributable to common shares—diluted	\$ 101,863	\$ 54,123	\$ 21,178
Weighted-average number of common shares used to compute basic net income per common share	46,434	43,599	41,992
Dilutive effect of options and restricted stock units to purchase common stock	3,660	2,913	1,915
Weighted-average number of common shares used to compute diluted net income per common share	50,094	46,512	43,907
Diluted net income per common share	\$ 2.03	\$ 1.16	\$ 0.48

For the years ended June 30, 2015, 2014 and 2013, the Company had stock options and restricted stock units outstanding that could potentially dilute basic earnings per share in the future, but were excluded from the computation of diluted net income per share in the periods presented, as their effect would have been anti-dilutive. The anti-dilutive common share equivalents resulting from outstanding equity awards were 3,805,000, 3,465,000 and 6,241,000 for the years ended June 30, 2015, 2014 and 2013, respectively.

Certain Significant Risks and Uncertainties

The Company operates in the high technology industry and is subject to a number of risks, some of which are beyond the Company's control, that could have a material adverse effect on the Company's business, operating results, and financial condition. These risks include variability and uncertainty of revenues and operating results; product obsolescence; geographic concentration; international operations; dependence on key personnel; competition; intellectual property claims and litigation; management of growth; and limited sources of supply.

Concentration of Supplier Risk

Certain raw materials used by the Company in the manufacture of its products are available from a limited number of suppliers. Shortages could occur in these essential materials due to an interruption of supply or increased demand in the

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

industry. One supplier accounted for 28.7%, 23.4%, and 21.9% of total purchases for the years ended June 30, 2015, 2014 and 2013, respectively. Ablecom Technology, Inc., a related party of the Company as noted in Note 9, accounted for 12.6%, 16.1% and 18.9% of total purchases for the years ended June 30, 2015, 2014 and 2013, respectively.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents and long-term investments and accounts receivable. One customer accounted for 10.1% of net sales in fiscal year 2015. No single customer accounted for 10% or more of net sales in fiscal years 2014 and 2013. No customer accounted for 10% or more of accounts receivable as of June 30, 2015 and 2014.

Adoption of New Accounting Pronouncements

In July 2013, the FASB issued authoritative guidance associated with the presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss or a tax credit carryforward exists. It requires a liability related to an unrecognized tax benefit to offset a deferred tax asset for a net operating loss carryforward, a similar tax loss or a tax credit carryforward if a settlement is required or expected in the event the uncertain tax position is disallowed. The Company adopted the new disclosure on July 1, 2014. The adoption of this guidance did not have a material impact on our results of operations or financial position.

In May 2014, the FASB issued new accounting guidance related to revenue recognition. This new standard replaces all current U.S. GAAP guidance on revenue, eliminates all industry-specific guidance and provides a unified model in determining when and how revenue is recognized. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance can be applied either retrospectively or as a cumulative-effect adjustment as of the date of adoption. The new standard is effective for the Company on July 1, 2018. The Company is currently evaluating the effect the guidance will have on the Company's financial statement disclosures, results of operations or financial position.

In April 2015, the FASB issued new accounting guidance related to presentation of debt issue costs. The new standard requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The new standard is effective for the Company on July 1, 2016. The Company is currently evaluating the effect the guidance will have on the Company's financial statement disclosures, results of operations and financial position.

In July 2015, the FASB issued authoritative guidance related to inventory measurement. The new standard requires entities to measure inventory at the lower of cost and net realizable value thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market. The new standard is effective for the Company on July 1, 2017. The Company is currently evaluating the effect the guidance will have on the Company's financial statement disclosures, results of operations and financial position.

Note 2. Fair Value Disclosure

The financial assets of the Company measured at fair value on a recurring basis are included in cash equivalents and long-term investments. The Company's money market funds are classified within Level 1 of the fair value hierarchy which is based on quoted market prices for the identical underlying securities in active markets. The Company's

long-term auction rate securities investments are classified within Level 3 of the fair value hierarchy which did not have observable inputs for its auction rate securities as of June 30, 2015 and 2014. Refer to Note 1 for a discussion of the Company's policies regarding the fair value hierarchy. The Company's methodology for valuing these investments is the discounted cash flow model and is described in Note 5.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The following table sets forth the Company's cash equivalents and long-term investments as of June 30, 2015 and 2014 which are measured at fair value on a recurring basis by level within the fair value hierarchy. These are classified based on the lowest level of input that is significant to the fair value measurement (in thousands):

	Level 1	Level 2	Level 3	Asset at Fair Value
June 30, 2015				
Money market funds	\$310	\$—	\$—	\$310
Auction rate securities	—	—	2,633	2,633
Total	\$310	\$—	\$2,633	\$2,943
June 30, 2014				
Money market funds	\$311	\$—	\$—	\$311
Auction rate securities	—	—	2,647	2,647
Total	\$311	\$—	\$2,647	\$2,958

The above table excludes \$94,901,000 and \$96,324,000 of cash and \$1,130,000 and \$746,000 of certificates of deposit held by the Company as of June 30, 2015 and 2014, respectively. There were no transfers between Level 1, Level 2 or Level 3 securities in fiscal year 2015 and 2014.

The following table provides a reconciliation of the Company's financial assets measured at fair value on a recurring basis, consisting of long-term auction rate securities, using significant unobservable inputs (Level 3) for fiscal years 2015 and 2014 (in thousands):

	June 30, 2015	June 30, 2014
Balance as of beginning of year	\$2,647	\$2,637
Total realized gains or (losses) included in net income	—	—
Total unrealized gains or (losses) included in other comprehensive income	(14	) 10
Sales and settlements at par	—	—
Transfers in and/or out of Level 3	—	—
Balance as of end of year	\$2,633	\$2,647

The following is a summary of the Company's long-term investments as of June 30, 2015 and 2014 (in thousands):

	June 30, 2015			
	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
Auction rate securities	\$2,750	\$—	\$(117	) \$2,633
	June 30, 2014			
	Amortized Cost	Gross Unrealized	Gross Unrealized	Fair Value

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		Holding Gains	Holding Losses	
Auction rate securities	\$2,750	\$—	\$(103) \$2,647

The Company measures the fair value of outstanding debt for disclosure purposes on a recurring basis. As of June 30, 2015 and 2014, short-term and long-term debt of \$94,412,000 and \$46,287,000, respectively, are reported at amortized cost. This outstanding debt is classified as Level 2 as it is not actively traded and is valued using a discounted cash flow model that

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

uses observable market inputs. Based on the discounted cash flow model, the fair value of the outstanding debt approximates amortized cost.

Note 3. Accounts Receivable Allowances

The Company has established an allowance for doubtful accounts and an allowance for sales returns. The allowance for doubtful accounts is based upon the credit risk of specific customers, historical trends related to past losses and other relevant factors. The Company also provides its customers with product return rights. A provision for such returns is provided for in the same period that the related sales are recorded based upon contractual return rights and historical trends. Accounts receivable allowances as of June 30, 2015, 2014 and 2013, consisted of the following (in thousands):

	Beginning Balance	Charged to Cost and Expenses	Deductions	Ending Balance
Allowance for doubtful accounts:				
Year ended June 30, 2015	\$1,474	\$326	\$(602)	\$1,198
Year ended June 30, 2014	1,562	1,476	(1,564)	1,474
Year ended June 30, 2013	777	929	(144)	1,562
Allowance for sales returns				
Year ended June 30, 2015	\$448	\$9,383	\$(9,401)	\$430
Year ended June 30, 2014	404	8,985	(8,941)	448
Year ended June 30, 2013	329	7,463	(7,388)	404

Note 4. Inventory

Inventory as of June 30, 2015 and 2014 consisted of the following (in thousands):

	June 30, 2015	2014
Finished goods	\$384,647	\$246,803
Work in process	23,214	18,794
Purchased parts and raw materials	55,632	50,240
Total inventory	\$463,493	\$315,837

Note 5. Long-term Investments

As of June 30, 2015 and 2014, the Company held \$2,633,000 and \$2,647,000, respectively, of auction-rate securities ("auction rate securities"), net of unrealized losses, representing its interest in auction rate preferred shares in a closed end mutual fund invested in municipal securities; such auction rate securities were rated AA2 at June 30, 2015 and AAA or AA2 at June 30, 2014. These auction rate preferred shares have no stated maturity date.

During February 2008, the auctions for these auction rate securities began to fail to obtain sufficient bids to establish a clearing rate and the securities were not salable in the auction, thereby losing the short-term liquidity previously provided by the auction process. As a result, as of June 30, 2015 and 2014, \$2,633,000 and \$2,647,000 of these

auction rate securities have been classified as long-term available-for-sale investments, respectively.

The Company has used a discounted cash flow model to estimate the fair value of the auction rate securities as of June 30, 2015 and 2014. The material factors used in preparing the discounted cash flow model are (i) the discount rate utilized to present value the cash flows, (ii) the time period until redemption and (iii) the estimated rate of return. As of June 30, 2015, the discount rate, the time period until redemption and the estimated rate of return were 1.93%, 3 years and 0.47%, respectively. Management derives the estimates by obtaining input from market data on the applicable discount rate, estimated time to redemption and estimated rate of return. The changes in fair value have been primarily due to changes in the estimated rate of return and a change in the estimated redemption period. The fair value of the Company's investment portfolio may change between 1% to 3% by increasing or decreasing the rate of return used by 1% or by increasing or decreasing the term used by 1

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

year. Changes in these estimates or in the market conditions for these investments are likely in the future based upon the then current market conditions for these investments and may affect the fair value of these investments. On a quarterly basis, the Company reviews the inputs to assess their continued appropriateness and consistency. If any significant differences were to be noted, they would be researched in order to determine the reason. However, historically, no significant differences have been noted. The Company has consistently applied these valuation techniques in all periods presented and believes it has obtained the most accurate information available for the auction rate securities. Movement of these inputs would not significantly impact the fair value of the auction rate securities.

Based on this assessment of fair value, the Company determined a recovery (loss) in fair value of its auction rate securities of \$(14,000) and \$10,000 during the year ended June 30, 2015 and 2014, respectively. There was a cumulative total decline of \$117,000 and \$103,000 as of June 30, 2015 and 2014, respectively. That amount has been recorded as a component of other comprehensive income. As of June 30, 2015 and 2014, the Company has recorded an accumulated unrealized loss of \$70,000 and \$62,000, respectively, net of deferred income taxes, on long-term auction rate securities. The Company deems this loss to be temporary as it will not likely be required to sell the securities before their anticipated recovery and the Company has the intent and financial ability to hold these investments until recovery of cost.

Although the investment impairment is considered to be temporary, these investments are not currently liquid and in the event the Company needs to access these funds, the Company will not be able to do so without a loss of principal. The Company plans to continue to monitor the liquidity situation in the marketplace and the creditworthiness of its holdings and will perform periodic impairment analysis. In fiscal year 2015 and 2014, there was no auction rate securities redeemed or sold. In fiscal year 2013, \$300,000 of auction rate securities were redeemed at par.

Note 6. Property, Plant, and Equipment

Property, plant and equipment as of June 30, 2015 and 2014 consisted of the following (in thousands):

	June 30,	
	2015	2014
Land	\$63,962	\$63,962
Buildings	51,959	51,959
Building and leasehold improvements	8,323	7,683
Buildings construction in progress (1)	25,572	587
Machinery and equipment	40,689	34,342
Furniture and fixtures	7,421	5,892
Purchased software	3,343	3,606
Purchased software construction in progress (2)	8,567	2,548
	209,836	170,579
Accumulated depreciation and amortization	(46,798	) (39,990
Property, plant and equipment, net	\$163,038	\$130,589

(1) In connection with the purchase of the property located in San Jose, California, the Company engaged several contractors for the development and construction of improvements on the property, which was completed in August 2015.

(2) The Company completed its implementation of a new enterprise resource planning, or ERP, system for its U.S. headquarters on July 5, 2015 and has capitalized the costs of the new ERP software and certain expenses associated

directly with the development of the ERP system as of June 30, 2015.

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 7. Accrued Liabilities

Accrued liabilities as of June 30, 2015 and 2014 consisted of the following (in thousands):

	June 30, 2015	2014
Accrued payroll and related expenses	\$15,141	\$11,624
Customer deposits	6,314	4,185
Accrued warranty costs	7,700	7,083
Accrued cooperative marketing expenses	5,690	4,387
Deferred service revenue	4,085	2,463
Others	7,813	7,822
Total accrued liabilities	\$46,743	\$37,564

Note 8. Short-term and Long-term Obligations

Short-term and long-term obligations as of June 30, 2015 and 2014 consisted of the following (in thousands):

	June 30, 2015	2014
Line of credit:		
Bank of America	\$59,699	\$17,699
CTBC Bank	9,700	—
Total line of credit	69,399	17,699
Building term loans:		
Bank of America	3,733	6,533
CTBC Bank	21,280	22,055
Total building term loans	25,013	28,588
Total debt	94,412	46,287
Current portion	(93,479	) (42,554
Long-term portion	\$933	\$3,733

Activities under Revolving Lines of Credit and Term Loans

Bank of America

In June 2015, the Company entered into an amendment to the existing credit agreement with Bank of America N.A. ("Bank of America") which provided for (i) a \$65,000,000 revolving line of credit facility that matures on November 15, 2015 and (ii) a five-year \$14,000,000 term loan facility. The term loan is secured by the three buildings located in San Jose, California and the principal and interest are payable monthly through September 30, 2016 with an interest rate at the LIBOR rate plus 1.50% per annum.

The line of credit facility provides for borrowings denominated both in U.S. dollars and in Taiwanese dollars. For borrowings denominated in U.S. dollars, the interest rate for the revolving line of credit is at the LIBOR rate plus 1.25% per annum. The LIBOR rate was 0.18% at June 30, 2015. For borrowings denominated in Taiwanese dollars,

the interest rate is equal to the lender's established interest rate which is adjusted monthly.

As of June 30, 2015 and 2014, the total outstanding borrowings under the Bank of America term loan was \$3,733,000 and \$6,533,000, respectively. The total outstanding borrowings under the Bank of America line of credit was \$59,699,000 and \$17,699,000 as of June 30, 2015 and 2014, respectively. The interest rates for these loans ranged from

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

0.79% to 1.68% per annum at June 30, 2015 and from 1.19% to 1.65% per annum at June 30, 2014, respectively. As of June 30, 2015, the unused revolving line of credit with Bank of America was \$5,301,000.

CTBC Bank

In October 2011, the Company obtained an unsecured revolving line of credit from CTBC Bank Co., Ltd ("CTBC Bank", formerly, China Trust Bank) totaling NT\$300,000,000 Taiwanese dollars or \$9,898,000 U.S. dollar equivalents. In July 2012, the Company increased the credit facility to NT\$450,000,000 Taiwanese dollars or \$14,912,000 U.S. dollars equivalents. The term loan was secured by the land and building located in Bade, Taiwan with an interest rate equal to the lender's established interest rate plus 0.30% which is adjusted monthly.

In November 2013, the Company entered into an amendment to the existing credit agreement with CTBC Bank to increase the credit facility amount and extend the maturity date to November 30, 2014. The amendment provides for (i) a 13-month NT\$700,000,000 or \$23,787,000 U.S. dollar equivalents term loan secured by the land and building located in Bade, Taiwan with an interest rate equal to the lender's established NTD interest rate plus 0.25% per annum which is adjusted monthly and (ii) a 13-month unsecured term loan up to NT\$100,000,000 or \$3,398,000 U.S. dollar equivalents, and a 13-month revolving line of credit up to 80% of eligible accounts receivable in an aggregate amount of up to NT\$500,000,000 or \$16,991,000 U.S. dollar equivalents with an interest rate equal to the lender's established NTD interest rate plus 0.25% per annum or lender's established USD interest rate plus 0.30% per annum which is adjusted monthly. The total borrowings allowed under the credit agreement is capped at NT\$1,000,000,000 or \$33,981,000 U.S. dollar equivalents.

In December 2014, the Company entered into a second amendment to the existing credit agreement with CTBC Bank to extend the maturity date to November 30, 2015. The amendment provides for (i) a 12-month NT\$700,000,000 or \$22,017,000 U.S. dollar equivalents term loan secured by the land and building located in Bade, Taiwan with an interest rate equal to the lender's established NTD interest rate plus 0.25% per annum which is adjusted monthly and (ii) a 12-month revolving line of credit up to 80.0% of eligible accounts receivable in an aggregate amount of up to \$17,000,000 with an interest rate equal to the lender's established USD interest rate plus 0.30% per annum which is adjusted monthly. The total borrowings allowed under the credit agreement are capped at NT\$1,000,000,000 or \$31,453,000 U.S. dollar equivalents.

The total outstanding borrowings under the CTBC Bank term loan was denominated in Taiwanese dollars and was translated into U.S. dollars of \$21,280,000 and \$22,055,000 at June 30, 2015 and 2014, respectively. The total outstanding borrowings under the CTBC Bank revolving line of credit was \$9,700,000 in U.S. dollars at June 30, 2015. There were no outstanding borrowings under the CTBC Bank revolving line of credit at June 30, 2014. The interest rate for this loan ranged from 0.82% and 1.16% at June 30, 2015 and 1.15% per annum at June 30, 2014. At June 30, 2015, NT\$39,145,000 or \$1,286,000 U.S. dollar equivalents were available for future borrowing under this credit agreement.

Covenant Compliance

The credit agreement with Bank of America contains customary representations and warranties and customary affirmative and negative covenants applicable to the Company and its subsidiaries. The credit agreement contains certain financial covenants, including the following:

- Not to incur on a consolidated basis, a net loss before taxes and extraordinary items in any two consecutive quarterly accounting periods;

- The Company's funded debt to EBITDA ratio (ratio of all outstanding liabilities for borrowed money and other interest-bearing liabilities, including current and long-term debt, less the non-current portion of subordinated liabilities to EBITDA) shall not be greater than 2.00;
- The Company's unencumbered liquid assets, as defined in the agreement, held in the United States shall have an aggregate market value of not less than \$30,000,000, measured as of the last day of each fiscal quarter and the last day of each fiscal year.

As of June 30, 2015 and 2014, total assets of \$1,045,408,000 and \$751,396,000, respectively, collateralized the line of credit with Bank of America which represents all of the assets of the Company except for the three buildings purchased in San Jose, California in June 2010 and the land and building located in Bade, Taiwan. As of June 30, 2015 and 2014, total assets collateralizing the term loan with Bank of America were \$17,354,000 and \$17,584,000. As of June 30, 2015, the Company was in compliance with all financial covenants associated with the credit agreement with Bank of America.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

As of June 30, 2015 and 2014, the land and building located in Bade, Taiwan with a value of \$27,047,000 and \$27,345,000, respectively, collateralized the term loan with CTBC Bank. There are no financial covenants associated with the term loan with China Trust Bank at June 30, 2015.

Debt Maturities

The following table as of June 30, 2015, summarizes future minimum principal payments on the Company's debts excluding capital leases (in thousands):

Fiscal Years Ending June 30,	
2016	\$93,479
2017	933
2018	—
2019	—
2020	—
Thereafter	—
Total	\$94,412

Note 9. Related-party and Other Transactions

Ablecom Technology Inc.—Ablecom, a Taiwan corporation, together with one of its subsidiaries, Compuware (collectively “Ablecom”), is one of the Company's major contract manufacturers. Ablecom's ownership of Compuware is below 50% but Compuware remains a related party as Ablecom still has significant influence over its operations. Ablecom's chief executive officer, Steve Liang, is the brother of Charles Liang, the Company's President, Chief Executive Officer and Chairman of the Board of Directors. Ablecom owns approximately 0.6% of the Company's common stock. Charles Liang and his wife, also an officer of the Company, collectively own approximately 10.5% of Ablecom, while Steve Liang and other family members own approximately 36.0% of Ablecom at June 30, 2015.

The Company has product design and manufacturing services agreements (“product design and manufacturing agreements”) and a distribution agreement (“distribution agreement”) with Ablecom.

Under the product design and manufacturing agreements, the Company outsources a portion of its design activities and a significant part of its manufacturing of components such as server chassis to Ablecom. Ablecom agrees to design products according to the Company's specifications. Additionally, Ablecom agrees to build the tools needed to manufacture the products. The Company has agreed to pay for Ablecom's cost of chassis and related product tooling and engineering services and will pay for those items when the work has been completed.

Under the distribution agreement, Ablecom purchases server products from the Company for distribution in Taiwan. The Company believes that the pricing and terms under the distribution agreement are similar to the pricing and terms of distribution arrangements the Company has with similar, third party distributors.

Ablecom's net sales to the Company and its net sales of the Company's products to others comprise a substantial majority of Ablecom's net sales. For fiscal year 2015, 2014 and 2013, the Company purchased products from Ablecom totaling \$227,562,000, \$201,848,000 and \$179,735,000, respectively. For fiscal year 2015, 2014 and 2013, the Company sold products to Ablecom totaling \$58,013,000, \$14,576,000 and \$13,805,000, respectively.

Amounts owed to the Company by Ablecom as of June 30, 2015 and 2014, were \$13,186,000 and \$621,000, respectively. Amounts owed to Ablecom by the Company as of June 30, 2015 and 2014, were \$59,015,000 and \$48,969,000, respectively. In fiscal year 2015, the Company paid Ablecom the majority of invoiced dollars between 46 and 74 days of invoice date. For the years ended June 30, 2015, 2014 and 2013, the Company paid \$5,851,000, \$6,906,000 and \$5,076,000, respectively, for tooling assets and miscellaneous costs to Ablecom.

The Company's exposure to loss as a result of its involvement with Ablecom is limited to (a) potential losses on its purchase orders in the event of an unforeseen decline in the market price and/or demand of the Company's products such that

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SUPER MICRO COMPUTER, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

the Company incurs a loss on the sale or cannot sell the products and (b) potential losses on outstanding accounts receivable from Ablecom in the event of an unforeseen deterioration in the financial condition of Ablecom such that Ablecom defaults on its payable to the Company. Outstanding purchase orders with Ablecom were \$67,261,000 and \$64,464,000 at June 30, 2015 and 2014, respectively, representing the maximum exposure to loss relating to (a) above. The Company does not have any direct or indirect guarantees of losses of Ablecom.

In May 2012, the Company and Ablecom jointly established Super Micro Asia Science and Technology Park, Inc. ("Management Company") in Taiwan to manage the common areas shared by the Company and Ablecom for their separately constructed manufacturing facilities. Each company contributed \$168,000 and own 50% of the Management Company. Although the operations of the Management Company are independent of the Company, through governance rights, the Company has the ability to direct the Management Company's business strategies. Therefore, the Company has concluded that the Management Company is a variable interest entity of the Company as the Company is the primary beneficiary of the Management Company. The accounts of the Management Company are consolidated with the accounts of the Company, and a noncontrolling interest has been recorded for the Ablecom's interests in the net assets and operations of the Management Company. The Management Company had no business operations as of June 30, 2012. In fiscal year 2015, 2014 and 2013, \$(11,000), \$(6,000) and \$13,000 of net income (loss) attributable to Ablecom's interest was included in the Company's general and administrative expenses in the consolidated statements of operations.

Note 10. Stock-based Compensation and Stockholders' Equity

Equity Incentive Plan

The authorized number of shares that may be issued under the Company's 2006 Equity Incentive Plan (the "2006 Plan") automatically increases on July 1 each year through 2016, by an amount equal to (a) 3.0% of shares of stock issued and outstanding on the immediately preceding June 30, or (b) a lesser amount determined by the Board of Directors. The exercise price per share for incentive stock options granted to employees owning shares representing more than 10% of the Company at the time of grant cannot be less than 110% of the fair value of the underlying share on grant date. Nonqualified stock options and incentive stock options granted to all other persons shall be granted at a price not less than 100% of the fair value. Options generally expire ten years after the date of grant. Stock options and restricted stock units vest over four years; 25% at the end of one year and one sixteenth per quarter thereafter. The 2006 Plan is the successor equity incentive plan to the Company's 1998 Stock Option Plan. As of June 30, 2015, the Company had 482,258 authorized shares available for future issuance under the 2006 plan.

Determining Fair Value

Valuation and amortization method—The Company estimates the fair value of stock options granted using the Black-Scholes-option-pricing formula and a single option award approach. The fair value of restricted stock units is based on the closing market price of the Company's common stock on the date of grant. This fair value is then amortized ratably over the requisite service periods of the awards, which is generally the vesting period.

Expected Term—The Company's expected term represents the period that the Company's stock-based awards are expected to be outstanding and was determined based on a combination of the Company's peer group and the Company's historical experience.

Expected Volatility—Expected volatility is based on a combination of the Company's implied and historical volatility.

Expected Dividend—The Black-Scholes valuation model calls for a single expected dividend yield as an input and the Company has no plans to pay dividends.

Risk-Free Interest Rate—The risk-free interest rate used in the Black-Scholes valuation method is based on the U.S. Treasury zero coupon issues in effect at the time of grant for periods corresponding with the expected term of option.

Estimated Forfeitures—The estimated forfeiture rate is based on the Company's historical forfeiture rates and the estimate is revised in subsequent periods if actual forfeitures differ from the estimate.

The fair value of stock option grants for the years ended June 30, 2015, 2014 and 2013 was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

	Years Ended June 30,			
	2015	2014	2013	
Risk-free interest rate	1.35% - 1.76%	1.53% - 1.90%	0.65% - 0.90%	
Expected life	5.40 - 5.44 years	5.49 - 5.58 years	5.03 - 5.15 years	
Dividend yield	—	% —	% —	%
Volatility	46.93% - 49.31%	43.48% - 50.07%	51.27% - 51.76%	
Weighted-average fair value	\$12.72	\$7.23	\$4.53	

The following table shows total stock-based compensation expense included in the consolidated statements of operations for the years ended June 30, 2015, 2014 and 2013 (in thousands):

	Years Ended June 30,		
	2015	2014	2013
Cost of sales	\$901	\$941	\$953
Research and development	8,643	6,783	6,527
Sales and marketing	1,553	1,260	1,541
General and administrative	2,602	2,078	2,340
Stock-based compensation expense before taxes	13,699	11,062	11,361
Income tax impact	(3,791)	(2,426)	(548)
Stock-based compensation expense, net	\$9,908	\$8,636	\$10,813

The cash flows resulting from the tax benefits for tax deductions resulting from the exercise of stock options in excess of the compensation expense recorded for those options (excess tax benefits) issued or modified since July 1, 2006 are classified as cash from financing activities. Excess tax benefits for stock options issued prior to July 1, 2006 are classified as cash from operating activities. The Company had \$11,157,000, \$7,041,000 and \$1,734,000 of excess tax benefits recorded in additional paid-in capital in the years ended June 30, 2015, 2014 and 2013, respectively. The Company had excess tax benefits classified as cash from financing activities of \$8,089,000, \$2,992,000 and \$865,000 in the year ended June 30, 2015, 2014 and 2013, respectively, for options issued since July 1, 2006.

As of June 30, 2015, the Company's total unrecognized compensation cost related to non-vested stock-based awards granted to employees and non-employee directors was \$30,203,000, which will be recognized over a weighted-average vesting period of approximately 2.32 years.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Stock Option Activity

The following table summarizes stock option activity during the years ended June 30, 2015, 2014 and 2013 under all stock option plans:

	Options Outstanding	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in Years)	Aggregate Intrinsic Value (in thousands)
Balance as of June 30, 2012 (7,410,152 shares exercisable at weighted average exercise price of \$8.25 per share)	11,302,228	\$ 10.36		
Granted (weighted average fair value of \$4.53)	1,952,270	11.83		
Exercised	(612,034)	3.01		
Forfeited	(436,286)	14.01		
Balance as of June 30, 2013 (8,731,818 shares exercisable at weighted average exercise price of \$9.66 per share)	12,206,178	10.83		
Granted (weighted average fair value of \$7.23)	1,808,006	15.87		
Exercised	(2,863,878)	8.36		
Forfeited	(244,704)	14.25		
Balance as of June 30, 2014 (7,558,631 shares exercisable at weighted average exercise price of \$11.05 per share)	10,905,602	12.24		
Granted (weighted average fair value of \$12.72)	1,093,920	28.28		
Exercised	(2,124,401)	10.99		
Forfeited	(172,278)	18.68		
Balance as of June 30, 2015	9,702,843	\$14.21	5.93	\$150,746
Options vested and expected to vest at June 30, 2015	9,531,602	\$14.04	5.87	\$149,539
Options vested and exercisable at June 30, 2015	7,208,475	\$12.24	5.04	\$124,991

The total pretax intrinsic value of options exercised during the years ended June 30, 2015, 2014 and 2013 was \$48,077,000, \$30,165,000 and \$4,614,000, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Additional information regarding options outstanding as of June 30, 2015, is as follows:

Range of Exercise Prices	Options Outstanding			Options Vested and Exercisable	
	Number Outstanding	Weighted-Average Remaining Contractual Term (Years)	Weighted-Average Exercise Price Per Share	Number Exercisable	Weighted-Average Exercise Price Per Share
\$3.25 - 7.46	1,014,562	3.14	\$5.79	1,014,562	\$5.79
7.91 - 9.24	1,193,314	4.10	8.51	1,083,090	8.44
9.72 - 10.66	1,363,849	4.81	10.38	1,157,004	10.44
10.68 - 12.50	1,027,794	6.35	11.79	802,857	11.72
12.68 - 13.89	1,006,396	4.39	13.51	1,003,144	13.51
14.23 - 15.22	975,057	7.40	14.68	628,936	14.89
15.54 - 17.96	986,861	7.34	17.46	643,547	17.32
18.59 - 20.70	1,113,157	7.14	19.19	737,161	19.12
21.86 - 37.06	986,353	9.30	28.10	138,174	25.88
39.19	35,500	9.62	39.19	—	—
\$3.25 - \$39.19	9,702,843	5.93	\$14.21	7,208,475	\$12.24

Restricted Stock Unit Activity

In January 2015, the Company began to grant restricted stock units to employees. The Company grants restricted stock units to certain employees as part of its regular employee equity compensation review program as well as to selected new hires. Restricted stock units are share awards that entitle the holder to receive freely tradable shares of the Company's common stock upon vesting and settlement.

The following table summarizes restricted stock unit activity during the year ended June 30, 2015 under the 2006 Plan:

	Restricted Stock Units Outstanding	Weighted Average Grant-Date Fair Value per Share	Aggregate Intrinsic Value (in thousands)
Balance as of June 30, 2014	—	\$—	
Granted	374,720	\$35.82	
Vested	(14,685)	) \$35.23	
Forfeited	(56,711)	) \$34.90	
Balance as of June 30, 2015	303,324	\$36.02	\$8,972

The total pretax intrinsic value of restricted stock units vested was \$486,000 for the year ended June 30, 2015. In fiscal year 2015, upon vesting, 14,685 shares of restricted stock units were partially net share-settled such that the Company withheld 5,278 shares with value equivalent to the employees' minimum statutory obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total

shares withheld were based on the value of the restricted stock units on their respective vesting dates as determined by the Company's closing stock price. Total payments for the employees' tax obligations to taxing authorities were \$175,000 during the year ended June 30, 2015 and are reflected as a financing activity within the consolidated statements of cash flows. These net-share settlements had the effect of share repurchases by the Company as they reduced and retired the number of shares that would have otherwise been issued as a result of the vesting and did not represent an expense to the Company. Pursuant to the terms of the 2006 Plan, shares withheld in connection with net-share settlements are returned to the 2006 Plan and are available for future grants under the 2006 Plan.

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Restricted Stock Awards

Restricted stock awards are share awards that provide the rights to a set number of shares of the Company's stock on the grant date. In August 2008, the Compensation Committee of the Board of Directors of the Company (the "Committee") approved the terms of an agreement (the "Option Exercise Agreement") with Charles Liang, a director and President and Chief Executive Officer of the Company, pursuant to which Mr. Liang exercised a fully vested option previously granted to him for the purchase of 925,000 shares. The option was exercised using a "net-exercise" procedure in which he was issued a number of shares representing the spread between the option exercise price and the then current market value of the shares subject to the option (898,205 shares based upon the market value as of the date of exercise). The shares issued upon exercise of the option are subject to vesting over five years. Vesting of the shares subject to the award may accelerate in certain circumstances pursuant to the terms of the Option Exercise Agreement. The Company determined that there is no incremental fair value of the option exchanged for the award. 898,205 shares were vested as of June 30, 2015 and 2014.

Restricted Stock Award Activity

The following table summarizes the Company's restricted stock award activity for the years ended June 30, 2015, 2014 and 2013:

	Restricted Stock Awards	
	Number of Shares	Weighted Average Grant Date Fair Value Per Share
Nonvested stock at June 30, 2012	362,782	\$10.72
Granted	—	—
Vested	(183,141)	10.79
Forfeited	—	—
Nonvested stock at June 30, 2013	179,641	10.66
Granted	3,500	14.23
Vested	(183,141)	10.73
Forfeited	—	—
Nonvested stock at June 30, 2014	—	—
Granted	—	—
Vested	—	—
Forfeited	—	—
Nonvested stock at June 30, 2015	—	\$—

The Company had no restricted stock award activity for the year ended June 30, 2015. The total pretax intrinsic value of restricted stock awards vested was \$1,965,000 and \$2,225,000 for the years ended June 30, 2014 and 2013, respectively. In fiscal years 2014 and 2013, upon vesting, 183,141 and 183,141 shares of restricted stock awards were partially net share-settled such that the Company withheld 51,583 and 85,091 shares, respectively, with value equivalent to an officer's minimum statutory obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total shares withheld were based on the value of the

restricted stock awards on their vesting date as determined by the Company's closing stock price. Total payments for an officer's tax obligations to the taxing authorities were \$681,000 and \$1,034,000 in fiscal years 2014 and 2013, respectively, and are reflected as a financing activity within the consolidated statements of cash flows. These net-share settlements had the effect of share repurchases by the Company as they reduced and retired the number of shares that would have otherwise been issued as a result of the vesting and did not represent an expense to the Company. There are no unvested restricted stock awards at June 30, 2015 and 2014.

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Note 11. Income Taxes

The components of income before income tax provision for the years ended June 30, 2015, 2014 and 2013 are as follows (in thousands):

	Years Ended June 30,		
	2015	2014	2013
United States	\$118,083	\$66,152	\$14,102
Foreign	27,813	13,442	12,494
Income before income tax provision	\$145,896	\$79,594	\$26,596

The income tax provision for the years ended June 30, 2015, 2014 and 2013, consists of the following (in thousands):

	Years Ended June 30,			
	2015	2014	2013	
Current:				
Federal	\$33,496	\$20,102	\$7,904	
State	1,980	624	684	
Foreign	10,960	5,252	3,806	
	46,436	25,978	12,394	
Deferred:				
Federal	(1,989) 122	(5,984)
State	70	(472) (1,093)
Foreign	(484) (191) —	
	(2,403) (541) (7,077)
Income tax provision	\$44,033	\$25,437	\$5,317	

The Company's net deferred tax assets as of June 30, 2015 and 2014, consist of the following (in thousands):

	June 30,		
	2015	2014	
Warranty accrual	\$2,493	\$2,459	
Marketing fund accrual	1,163	938	
Inventory valuation	10,158	9,472	
Stock-based compensation	4,800	4,114	
Research and development credit	—	1,938	
Accrued vacation and bonus	1,230	1,296	
Payable to foreign subsidiaries	1,716	1,922	
Other	1,428	1,501	
Total deferred income tax assets	22,988	23,640	
Deferred tax liabilities-depreciation and other	(628) (644)
Deferred income tax assets-net	\$22,360	\$22,996	

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The cumulative undistributed earnings of our foreign subsidiaries of \$40,886,000 at June 30, 2015 are considered to be indefinitely reinvested and accordingly, no provisions for federal and state income taxes have been provided thereon. The Company determined that the calculation of the amount of unrecognized deferred tax liability related to these cumulative unremitted earnings was not practicable. Upon distribution of those earnings in the form of dividends or otherwise, the Company would be subject to both U.S. income taxes (subject to an adjustment for foreign tax credits) and withholding taxes payable to various foreign countries.

Income tax benefits resulting from stock option transactions of \$11,157,000, \$7,041,000 and \$1,734,000 were credited to stockholders' equity in the years ended June 30, 2015, 2014 and 2013, respectively.

The following is a reconciliation for the years ended June 30, 2015, 2014 and 2013, of the statutory rate to the Company's effective federal tax rate:

	Years Ended June 30,					
	2015		2014		2013	
Tax at statutory rate	35.0	%	35.0	%	35.0	%
State income tax, net of federal tax benefit	3.0		3.3		3.8	
Foreign tax rate differences	(3.0)	)	(2.5)	)	(6.7))
Research and development tax credit	(3.4)	)	(4.0)	)	(14.4))
Qualified production activity deduction	(1.3)	)	(1.8)	)	(2.9))
Stock based compensation	2.2		4.5		13.5	
Uncertain tax positions	(0.7)	)	(2.1)	)	(11.0))
Subpart F income inclusion	(2.9)	)	(3.9)	)	(3.8))
Foreign withholding tax	3.0		4.1		5.5	
Federal tax return to provision adjustment	0.2		(0.7)	)	(3.9))
Other	(1.9)	)	0.1		4.9	
Effective tax rate	30.2	%	32.0	%	20.0	%

As of June 30, 2015, the Company had state research and development tax credit carryforwards of \$10,199,000. The state research and development tax credits will carryforward indefinitely to offset future state income taxes. \$6,197,000 of the state research and development tax credit carryforwards were attributable to excess tax deductions from stock option exercises, and were not included in the deferred tax assets shown above. The benefit of these carryforwards will be credited to equity when realized.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The following table summarizes the activity related to the unrecognized tax benefits (in thousands):

	Gross*	
	Unrecognized	
	Income Tax	
	Benefits	
Balance at June 30, 2012	\$8,025	
Gross increases:		
For current year's tax positions	2,044	
For prior years' tax positions	490	
Gross decreases:		
Settlements and releases due to the lapse of statutes of limitations	(2,470)
For prior year' tax positions	—	
Balance at June 30, 2013	8,089	
Gross increases:		
For current year's tax positions	3,120	
For prior years' tax positions	132	
Gross decreases:		
Settlements and releases due to the lapse of statutes of limitations	(1,726)
For prior years' tax positions	—	
Balance at June 30, 2014	9,615	
Gross increases:		
For current year's tax positions	3,855	
For prior years' tax positions	793	
Gross decreases:		
Settlements and releases due to the lapse of statutes of limitations	(971)
For prior years' tax positions	—	
Balance at June 30, 2015	\$13,292	

*excludes interest, penalties, federal benefit of state reserves

The total amount of unrecognized tax benefits that would affect the effective tax rate, if recognized, is \$10,971,000 and \$8,168,000 as of June 30, 2015 and 2014, respectively.

The Company's policy is to include interest and penalties related to unrecognized tax benefits within the provision for taxes in the consolidated statements of operations. As of June 30, 2015 and 2014, the Company had accrued \$898,000 and \$818,000 for the payment of interest and penalties relating to unrecognized tax benefits, respectively. During fiscal year 2015, 2014 and 2013, there was no material change in the total amount of the liability for accrued interest and penalties related to the unrecognized tax benefits.

The Company is subject to U.S. federal income tax as well as income taxes in many state and foreign jurisdictions. In August 2015, the Company scheduled a meeting with the Internal Revenue Service to commence a pre-examination of the federal income tax returns for tax years 2013 and 2014. The Company does not expect a resolution to be reached during the next twelve months. While management believes that the Company has adequately provided reserves for all uncertain tax positions, amounts asserted by tax authorities could be greater or less than the Company's current position. Accordingly, the Company's provision on federal, state and foreign tax related matters to be recorded in the future may change as revised estimates are made or the underlying matters are settled or otherwise resolved. The

federal statute of limitations remain open in general for tax years 2012 through 2015. The state statute of limitations remain open in general for tax years 2010 through 2015. The statute of limitations in major foreign jurisdictions remain open for examination in general for tax years 2008 through 2015. The Company does not expect its unrecognized tax benefits to change materially over the next 12 months.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 12. Commitments and Contingencies

Litigation and Claims— The Company is involved in various legal proceedings arising from the normal course of business activities. The Company defends itself vigorously against any such claims. In management's opinion, the resolution of any matters will not have a material adverse effect on the Company's consolidated financial condition, results of operations or liquidity.

Purchase Commitments— The Company has agreements to purchase certain units of inventory and non-inventory items through fiscal year 2017. As of June 30, 2015, these remaining non-cancellable commitments were \$378,341,000 compared to \$211,090,000 as of June 30, 2014.

Included in the above non-cancellable commitments are hard disk drive purchase commitments totaling approximately \$185,680,000, which will be paid through December 2016. The Company entered into purchase agreements with selected suppliers of hard disk drives in order to ensure continuity of supply for these components. The agreements provide for some variation in the amount of units the Company is required to purchase and the suppliers may modify the purchase price for these components due to significant changes in market or component supply conditions. Product mix for these components may be negotiated quarterly and the purchase price for these components will be reviewed quarterly with the suppliers. The Company has been negotiating the purchase price with the suppliers on an ongoing basis based upon market rates.

Lease Commitments—The Company leases offices and equipment under noncancelable operating leases which expire at various dates through 2025. In addition, the Company leases certain of its equipment under capital leases. The future minimum lease commitments under all leases are as follows (in thousands):

Year ending:	Balance as of	
	Capital Leases	Operating Leases
June 30, 2016	\$200	\$4,344
June 30, 2017	194	3,347
June 30, 2018	167	2,840
June 30, 2019	128	2,862
June 30, 2020	27	2,913
Thereafter	—	3,545
Total minimum lease payments	716	\$19,851
Less: Amounts representing interest	76	
Present value of minimum lease payments	640	
Less: Long-term portion	475	
Current portion	\$165	

Rent expense for the years ended June 30, 2015, 2014 and 2013, was \$3,729,000, \$3,477,000 and \$3,345,000, respectively.

Note 13. Retirement Plan

The Company sponsors a 401(k) savings plan for eligible U.S. employees and their beneficiaries. Contributions by the Company are discretionary, and no contributions have been made by the Company for the years ended June 30, 2015, 2014 and 2013.

Beginning in March 2003, employees of Super Micro Computer, B.V. have the option to deduct a portion of their gross wages and invest the amount in a defined contribution plan. The Company has agreed to match 10% of the amount that is deducted monthly from employees' wages. Similar to contributions into a 401(k) plan, the Company's obligation is limited to the contributions made to the contribution plan. Investment risk and investment rewards are assumed by the employees and not by the Company. For the years ended June 30, 2015, 2014 and 2013, the Company's matching contribution was \$200,000, \$198,000 and \$133,000, respectively.

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The Company maintains a defined benefit pension plan of Super Micro Computer, Taiwan that covers all eligible employees within Taiwan. Pension plan benefits are based primarily on participants' compensation and years of service credited as specified under the terms of Taiwan's plan. The funding policy is consistent with the local requirements of Taiwan. The Company's obligation is limited to the contributions made to the pension plan. Plan assets of the funded defined benefit pension plan are deposited into a government-managed account in which the Company has no control over investment strategy. For the years ended June 30, 2015, 2014 and 2013, the Company's contribution was \$862,000, \$740,000 and \$660,000, respectively.

Note 14. Segment Reporting

The Company operates in one operating segment that develops and provides high performance server solutions based upon an innovative, modular and open-standard architecture. The Company's chief operating decision maker is the Chief Executive Officer.

International net sales are based on the country and region to which the products were shipped. The following is a summary for the years ended June 30, 2015, 2014 and 2013, of net sales by geographic region (in thousands):

	Years Ended June 30,		
	2015	2014	2013
Net sales:			
United States	\$ 1,160,651	\$ 809,250	\$ 629,869
Europe	378,323	316,760	265,635
Asia	326,912	299,403	237,798
Other	125,269	41,789	29,259
	\$ 1,991,155	\$ 1,467,202	\$ 1,162,561

The following is a summary of long-lived assets, excluding financial instruments, deferred tax assets, other assets, goodwill and intangible assets (in thousands):

	June 30,		
	2015	2014	2013
Long-lived assets:			
United States	\$ 124,292	\$ 94,119	\$ 61,976
Asia	37,695	36,123	33,500
Europe	1,051	347	436
	\$ 163,038	\$ 130,589	\$ 95,912

The following is a summary of net sales by product type (in thousands):

	Years Ended June 30,			2014			2013	
	2015	Percent of		Amount	Percent of		Amount	Percent of
	Amount	Net Sales		Net Sales		Net Sales		
Server systems	\$ 1,213,608	60.9	% \$ 740,789	50.5	% \$ 501,868	43.2	%	
Subsystems and accessories	777,547	39.1	% 726,413	49.5	% 660,693	56.8	%	
Total	\$ 1,991,155	100.0	% \$ 1,467,202	100.0	% \$ 1,162,561	100.0	%	

Subsystems and accessories are comprised of serverboards, chassis and accessories. Server systems constitute an assembly of subsystems and accessories done by the Company. One customer represented 10.1% of the Company's total net sales in fiscal year 2015 and no customer represented greater than 10% of the Company's total net sales for the years ended June 30, 2014 and 2013. No country other than the United States represent greater than 10% of the Company's total net sales for any of the years ended June 30, 2015, 2014 and 2013. No customer accounted for 10% or more of the Company's accounts receivable as of June 30, 2015 and 2014.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 15. Quarterly Financial Data (Unaudited)

The following table presents the Company's unaudited consolidated quarterly financial data. This information has been prepared on a basis consistent with that of the audited consolidated financial statements. The Company believes that all necessary adjustments, consisting of normal recurring accruals and adjustments, have been included to present fairly the quarterly financial data. The Company's quarterly results of operations for these periods are not necessarily indicative of future results of operations.

	Three Months Ended			
	Sep. 30, 2014	Dec. 31, 2014	Mar. 31, 2015	Jun. 30, 2015
	(In thousands, except per share data)			
Net sales	\$443,322	\$503,014	\$471,225	\$573,594
Gross profit	\$69,193	\$84,452	\$76,820	\$89,766
Net income	\$20,863	\$31,242	\$23,056	\$26,702
Net income per common share:				
Basic	\$0.46	\$0.68	\$0.49	\$0.56
Diluted	\$0.42	\$0.61	\$0.44	\$0.51
	Three Months Ended			
	Sep. 30, 2013	Dec. 31, 2013	Mar. 31, 2014	Jun. 30, 2014
	(In thousands, except per share data)			
Net sales	\$309,016	\$356,362	\$373,755	\$428,069
Gross profit	\$46,792	\$55,092	\$57,264	\$66,397
Net income	\$7,699	\$13,335	\$16,574	\$16,549
Net income per common share:				
Basic	\$0.18	\$0.31	\$0.38	\$0.37
Diluted	\$0.17	\$0.30	\$0.35	\$0.34

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Item 9A. Controls and Procedures

Evaluation of Effectiveness of Disclosure Controls and Procedures (Revised)

We are committed to maintaining disclosure controls and procedures designed to ensure that information required to be disclosed in our periodic reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures, as such term is defined in Rule 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. The evaluation considered the procedures designed to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of June 30, 2015. However, due to the material weakness in internal control over financial reporting described below, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective, and were not operating at the reasonable assurance level as of June 30, 2015.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) identified in connection with the evaluation described in this Item 9A that occurred during the fourth quarter of fiscal year 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

However, as noted below, we have implemented changes to our internal control over financial reporting to address the material weakness described below.

Inherent Limitations on Internal Control

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of management override or improper acts, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Because of the inherent limitations in a cost-effective control system, misstatements due to management override, error or improper acts may occur and not be detected. Any resulting misstatement or loss may have an adverse and material effect on our business, financial condition and results of operations.

Management's Report on Internal Control over Financial Reporting (Revised)

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria set forth in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Based on our evaluation, our management had previously concluded that our internal control over financial reporting was effective as of June 30, 2015 to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external reporting purposes in accordance with U.S. generally accepted

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accounting principles. However, in November 2015, our management identified an error in the accounting treatment of certain contracts with extended warranty provisions.

Based on the reassessment of the deficiency in the design of our revenue internal controls, we have determined that a material weakness existed in our internal control over financial reporting as of June 30, 2015. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis. Our management has identified a deficiency in the design of a control that represents a material weakness in internal control over financial reporting as follows:

We did not have a control in place that is designed to review underlying sales contracts for certain extended warranty to identify additional deliverables provided to customers as a part of sales transactions entered into by us. As a result, certain extended warranty revenue recorded in prior periods did not meet the criteria for revenue recognition and should have been deferred and recorded over the contractual period of the extended warranty.

Because of the material weakness identified, our management has concluded that our internal control over financial reporting was not effective as of June 30, 2015.

Our management analyzed the impact of the revenue misstatements from the identified material weakness and concluded that it did not have a material impact on our previously issued consolidated financial statements. Notwithstanding the material weakness in our internal control over financial reporting, we have concluded that the consolidated financial statements and other financial information included in the Original Filing, fairly present in all material respects our financial condition, results of operations and cash flows as of, and for, the periods presented.

The foregoing has been approved by our management, including our Chief Executive Officer and Chief Financial Officer, who have been involved with the reassessment and analysis of our internal control over financial reporting.

The effectiveness of our internal control over financial reporting as of June 30, 2015 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, and their opinion is stated in their report which is included in this Annual Report on Form 10-K/A.

Remediation

We have put a control in place to ensure that proper extended warranty and any other deliverables in our bill of materials are tracked and related revenue deferrals are recorded. The following steps have been implemented:

- Initiation of a review of extended warranty and any other deliverables in our bill of materials for all products
- Increased oversight and monitoring by our management of extended warranty and other deliverables in our bill of materials for any new products
- Documenting and tracking extended warranty and other deliverables in our contract matrix to ensure proper revenue recognition

Our management believes the foregoing efforts will effectively remediate the material weakness. As we continue to evaluate and work to improve our internal control over financial reporting, our management may execute additional measures to address the material weakness or modify the remediation plan described and will continue to review and make necessary changes to the overall design of our internal controls.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Super Micro Computer, Inc.
San Jose, California

We have audited the internal control over financial reporting of Super Micro Computer, Inc. and subsidiaries (the "Company") as of June 30, 2015, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting (Revised). Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our report dated September 10, 2015, we expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting. As described in the following paragraph, the Company subsequently identified a material weakness in its internal control over financial reporting. Accordingly, management has revised its assessment about the effectiveness of the Company's internal control over financial reporting, and our present opinion on the effectiveness of the Company's internal control over financial reporting as of June 30, 2015 as expressed herein, is different from that expressed in our previous report.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment:

The Company had not designed a control to review underlying sales contracts to identify additional deliverables provided to customers as a part of sales transactions entered into by the Company. The deficiency in design resulted in

revenue related to extended warranty provisions being recorded at the time of sale of the product instead of recording as deferred revenue and amortizing over the extended warranty term. This deficiency results in a material weakness in the Company's internal control over financial reporting.

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This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended June 30, 2015 of the Company and this report does not affect our report on such financial statements.

In our opinion, because of the effect of the material weakness identified above on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of June 30, 2015, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended June 30, 2015 of the Company and our report dated September 10, 2015 expressed an unqualified opinion on those financial statements and included an explanatory paragraph relating to significant related party transactions.

/s/ Deloitte & Touche LLP

San Jose, California

September 10, 2015 (November 16, 2015 as to the effects of the material weakness)

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PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. Financial Statements

See Index to Consolidated Financial Statements in Item 8 of this Annual Report on Form 10-K, which is incorporated herein by reference.

2. Financial Statement Schedules

All financial statement schedules have been omitted because they are either not applicable or the required information is shown in the consolidated financial statements or notes thereto.

3. Exhibits

See the Exhibit Index which follows the signature page of this Annual Report on Form 10-K, which is incorporated herein by reference.

(b) Exhibits

See Item 15(a)(3) above.

(c) Financial Statement Schedules

See Item 15(a)(2) above.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SUPER MICRO COMPUTER, INC.

Date: November 16, 2015

/s/ CHARLES LIANG
 Charles Liang
 President, Chief Executive Officer and Chairman of the Board
 (Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated and on the dates indicated.

Signature	Title	Date
/s/ CHARLES LIANG Charles Liang	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	November 16, 2015
/s/ HOWARD HIDESHIMA Howard Hideshima	Senior Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)	November 16, 2015
* Yih-Shyan (Wally) Liaw	Senior Vice President of International Sales, Corporate Secretary and Director	November 16, 2015
* Chiu-Chu (Sara) Liu Liang	Senior Vice President of Operations, Treasurer and Director	November 16, 2015
* Laura Black	Director	November 16, 2015
* Michael S. McAndrews	Director	November 16, 2015
* Hwei-Ming (Fred) Tsai	Director	November 16, 2015
* Sherman Tuan	Director	November 16, 2015
* By: /s/ HOWARD HIDESHIMA		
	Attorney-in-fact	

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EXHIBIT INDEX

Exhibit Number	Description
3.3	Amended and Restated Certificate of Incorporation of Super Micro Computer, Inc.(1)
3.4	Amended and Restated Bylaws of Super Micro Computer, Inc.(1)
4.1	Specimen stock certificate for shares of common stock of Super Micro Computer, Inc.(1)
10.1*	1998 Stock Option Plan, as amended(1)
10.2*	Form of Incentive Stock Option Agreement under 1998 Stock Option Plan(1)
10.3*	Form of Nonstatutory Stock Option Agreement under 1998 Stock Option Plan(1)
10.4*	Form of Nonstatutory Stock Option Agreement outside the 1998 Stock Option Plan(1)
10.5*	2006 Equity Incentive Plan(1)
10.6*	Form of Option Agreement under Super Micro Computer, Inc. 2006 Equity Incentive Plan(1)
10.7*	Form of Restricted Stock Agreement under Super Micro Computer, Inc. 2006 Equity Incentive Plan(1)
10.8*	Form of Restricted Stock Unit Agreement under Super Micro Computer, Inc. 2006 Equity Incentive Plan(1)
10.9*	Form of directors' and officers' Indemnity Agreement(1)
10.10*	Offer Letter for Chiu-Chu (Sara) Liu Liang(1)
10.11*	Offer Letter for Alex Hsu(1)
10.12*	Offer Letter for Howard Hideshima(1)
10.13*	Director Compensation Policy(1)
10.14	Product Manufacturing Agreement dated January 8, 2007 between Super Micro Computer, Inc. and Ablecom Technology Inc.(1)
10.15*	Form of Notice of Grant of Stock Option under 2006 Equity Incentive Plan(2)
10.16*	Form of Notice of Grant of Restricted Stock under 2006 Equity Incentive Plan(2)
10.17*	Form of Notice of Grant of Restricted Stock Unit under 2006 Equity Incentive Plan(2)
10.18	Agreement of Purchase and Sale(3)
10.19*	Stock Option Exercise Notice and Restricted Stock Purchase Agreement—Charles Liang(4)
10.20*	Stock Option Exercise Notice and Restricted Stock Purchase Agreement—Chiu-Chu Liang(5)
10.21*	Stock Option Exercise Notice and Restricted Stock Purchase Agreement—Shiow-Meei Liaw(5)
10.22	Agreement of Purchase and Sale of Properties on Fox Lane and Fox Drive, San Jose, California(6)
10.23	Business Loan Agreement dated as of June 17, 2010, by and between Super Micro Computer, Inc. and Bank of America(7)
10.24	Amendment No.1 to Loan Agreement, dated August 15, 2011 between Super Micro Computer, Inc. and Bank of America (9)
10.25	Amendment No. 2 to Loan Agreement, dated October 4, 2011 between Super Micro Computer, Inc. and Bank of America (9)
10.26*	2006 Equity Incentive Plan, as amended(8)
10.27	Purchase and Sale Agreement on Ridder Park Drive, San Jose, California(10)
10.28	Addendum 1 to Purchase and Sale Agreement on Ridder Park Drive, San Jose, California(10)
10.29	Amendment No. 3 to Loan Agreement, dated September 30, 2013 between Super Micro Computer, Inc. and Bank of America(11)
10.30	Summary of Credit Facility, dated November 5, 2013 between Super Micro Computer, Inc. and CTBC Bank (11)
10.31	Extension of Loan Agreement with Bank of America, N.A., dated November 13, 2014(12)
10.32	Summary of Credit Facility, dated December 1, 2014 between Super Micro Computer, Inc. and CTBC Bank (12)
10.33	Amendment No. 4 to Loan Agreement, dated June 19, 2015 between Super Micro Computer, Inc. and Bank of America(14)

21.1	Subsidiaries of Super Micro Computer, Inc.(13)
23.1+	Consent of Independent Registered Public Accounting Firm

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24.1	Power of Attorney (included in signature pages)(14)
31.1+	Certification of Charles Liang, President and CEO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2+	Certification of Howard Hideshima, CFO and Secretary Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1+	Certification of Charles Liang, President and CEO Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(15)
32.2+	Certification of Howard Hideshima, CFO and Secretary Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(15)
101.INS+	XBRL Instance Document
101.SCH+	XBRL Taxonomy Extension Schema Document
101.CAL+	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF+	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB+	XBRL Taxonomy Extension Label Linkbase Document
101.PRE+	XBRL Taxonomy Extension Presentation Linkbase Document

+Filed herewith

Incorporated by reference to the same number exhibit filed with the Registrant’s Registration Statement on Form (1)S-1 (Registration No. 333-138370), declared effective by the Securities and Exchange Commission on March 28, 2007.

(2) Incorporated by reference to the Company’s Registration Statement on Form S-8 (Commission File No. 333-142404) filed with the Securities and Exchange Commission on April 27, 2007.

(3) Incorporated by reference to Exhibit 10.1 from the Company’s current report on Form 8-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on June 29, 2007.

(4) Incorporated by reference to the Company’s Annual Report on Form 10-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on September 2, 2008.

(5) Incorporated by reference to the Company’s current report on Form 8-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on December 2, 2008.

(6) Incorporated by reference to the Company’s Quarterly Report on Form 10-Q (Commission File No. 001-33383) filed with the Securities and Exchange Commission on May 7, 2010.

(7) Incorporated by reference to Exhibit 10.34 from the Company’s Annual Report on Form 10-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on September 7, 2010.

(8) Incorporated by reference to Appendix A from the Company’s Definitive Proxy Statement on Schedule 14A (Commission File No. 001-33383) filed with the Securities and Exchange Commission on January 18, 2011.

(9) Incorporated by reference to the Company’s Quarterly Report on Form 10-Q (Commission File No. 001-33383) filed with the Securities and Exchange Commission on November 7, 2011.

(10) Incorporated by reference to the Company’s current report on Form 8-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on September 24, 2013.

(11) Incorporated by reference to the Company’s Quarterly Report on Form 10-Q (Commission File No. 001-33383) filed with the Securities and Exchange Commission on November 7, 2013.

(12) Incorporated by reference to the Company’s Quarterly Report on Form 10-Q (Commission File No. 001-33383) filed with the Securities and Exchange Commission on February 9, 2015.

(13) Incorporated by reference to the Company’s Annual Report on Form 10-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on September 15, 2014.

(14) Incorporated by reference to the Company’s Annual Report on Form 10-K (Commission File No. 001-33383) filed with the Securities and Exchange Commission on September 10, 2015.

The certifications attached as Exhibit 32.1 and 32.2 accompany the Annual Report on Form 10-K pursuant to (15)Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed “filed” by Super Micro Computer, Inc. for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

*Management contract, or compensatory plan or arrangement