

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF INCOME
For the first quarter of year 2012

Unit: Millions of New Taiwan dollars

	2Q Comparison			Sequential Comparison		
	1Q 2012	1Q 2011	YOY%	1Q 2012	4Q 2011	QOQ%
<i>Gross Sales</i>	21,478	20,999	2%	21,478	23,471	-8%
Less: Sales returns	(3)	(6)	-53%	(3)	(4)	-36%
Sales discounts	(1,860)	(1,126)	65%	(1,860)	(834)	123%
<i>Net Sales</i>	19,615	19,867	-1%	19,615	22,633	-13%
Cost of goods sold	(11,360)	(10,687)	6%	(11,360)	(12,639)	-10%
Gross profit	8,255	9,180	-10%	8,255	9,994	-17%
Operating expenses						
Selling expenses	(587)	(503)	17%	(587)	(985)	-40%
Administration expenses	(740)	(697)	6%	(740)	(814)	-9%
Research and development expense	(4,981)	(4,915)	1%	(4,981)	(5,827)	-15%
Total Operating expenses	(6,308)	(6,115)	3%	(6,308)	(7,626)	-17%
Operating income	1,947	3,065	-36%	1,947	2,368	-18%
Net non-operating income/losses	656	246	167%	656	747	-12%
Income before income tax	2,603	3,311	-21%	2,603	3,115	-16%
Income tax expenses	(103)	(1)	8527%	(103)	(198)	-48%
Net income	2,500	3,310	-24%	2,500	2,917	-14%
Earnings Per Share (NTD)	2.19	3.03	-29%	2.19	2.64	-17%
Outstanding Shares	1,139,771,155	1,092,143,222		1,139,771,155	1,103,110,322	

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF INCOME
For the periods ended March 31, 2012 and 2011

Unit: Millions of New Taiwan dollars

	2012	% to sales	2011	% to sales	YOY%
<i>Gross Sales</i>	21,478	109%	20,999	106%	2%
Less: Sales returns	(3)	0%	(6)	0%	-53%
Sales discounts	(1,860)	-9%	(1,126)	-6%	65%
<i>Net Sales</i>	19,615	100%	19,867	100%	-1%
Cost of goods sold	(11,360)	-58%	(10,687)	-54%	6%
Gross profit	8,255	42%	9,180	46%	-10%
Operating expenses					
Selling expenses	(587)	-3%	(503)	-3%	17%
Administration expenses	(740)	-4%	(697)	-4%	6%
Research and development expenses	(4,981)	-25%	(4,915)	-25%	1%
Total Operating expenses	(6,308)	-32%	(6,115)	-31%	3%
Operating income	1,947	10%	3,065	15%	-36%
Net non-operating income/losses	656	3%	246	1%	167%
Income before income tax	2,603	13%	3,311	17%	-21%
Income tax expenses	(103)	-1%	(1)	0%	8527%
Net income	2,500	13%	3,310	17%	-24%
Earnings Per Share (NTD)	2.19		3.03		
Outstanding Shares	1,139,771,155		1,092,143,222		

MEDIATEK INC.
CONSOLIDATED BALANCE SHEETS
March 31, 2012 and 2011

Unit: Millions of New Taiwan dollars

	2012	%	2011	%	YOY%
Current assets					
Cash and cash equivalents	86,448	58%	86,520	62%	0%
Held-for-trading financial assets	2	0%	13	0%	-84%
Financial asset at fair value through profit or loss-current	454	0%	1,298	1%	-65%
Financial asset available for sale-current	2,616	2%	5,613	4%	-53%
Financial assets held-to maturity-current	266	0%	0	0%	-
Bond portfolios with no active market-current	1,000	1%	0	0%	-
Notes and accounts receivable-net	7,372	5%	7,037	5%	5%
Inventories-net	9,853	7%	9,228	7%	7%
Prepayments and other current assets	4,434	3%	4,888	3%	-9%
Total current assets	<u>112,445</u>	<u>75%</u>	<u>114,597</u>	<u>82%</u>	<u>-2%</u>
Long-term investments	9,946	7%	7,797	6%	28%
Property, plant and equipment	10,678	7%	7,852	6%	36%
Intangible assets	16,528	11%	9,226	7%	79%
Other assets	536	0%	307	0%	75%
Total assets	<u><u>150,133</u></u>	<u><u>100%</u></u>	<u><u>139,779</u></u>	<u><u>100%</u></u>	<u><u>7%</u></u>
Current Liabilities					
Short-term loans	7,471	5%	0	0%	-
Notes and accounts payable-net	8,204	5%	7,114	5%	15%
Accrued expenses and other current liabilities	15,446	10%	16,413	12%	-6%
Total current liabilities	<u>31,121</u>	<u>21%</u>	<u>23,527</u>	<u>17%</u>	<u>32%</u>
Long-term liabilities	137	0%	0	0%	-
Other liabilities	1,108	1%	784	1%	41%
Total liabilities	<u>32,366</u>	<u>22%</u>	<u>24,311</u>	<u>17%</u>	<u>33%</u>
Shareholders' equity					
Capital stock	11,476	8%	11,000	8%	4%
Capital reserve	24,595	16%	12,285	9%	100%
Legal & special reserve	25,908	17%	18,969	14%	37%
Undistributed earnings	59,055	39%	77,049	55%	-23%
Cumulative translation adjustments	(3,523)	-2%	(3,876)	-3%	-9%
Unrealized gain (loss) on financial instruments	264	0%	97	0%	172%
Treasury stock	(56)	0%	(56)	0%	0%
Minority interest	48	0%	0	0%	-
Total shareholders' equity	<u>117,767</u>	<u>78%</u>	<u>115,468</u>	<u>83%</u>	<u>2%</u>
Total Liabilities and shareholders' equity	<u><u>150,133</u></u>	<u><u>100%</u></u>	<u><u>139,779</u></u>	<u><u>100%</u></u>	<u><u>7%</u></u>

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended March 31, 2012 and 2011

Unit: Millions of New Taiwan dollars

	2012	2011
Cash flows from operating activities :		
Net income	2,498	3,305
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	307	288
Amortization expense	532	390
Bad debt expense (reversal)	(10)	46
Reversal of sales returns and discounts	(60)	0
Employee stock option distributed	(11)	23
Amortization of premium/discount of financial assets	1	1
Loss on inventory (reversal)	(481)	(463)
Net gain on equity investments	(60)	(22)
Net loss on disposal of property, plant and equipment	0	4
Gain on disposal of investment (including interest income)	(3)	(74)
Valuation loss (gain) on financial instruments	(39)	28
Deferred income tax	52	(46)
Employees' bonuses	288	401
Changes in operating assets and liabilities:		
Financial assets designated as at fair value through profit or loss	887	(436)
Notes and accounts receivable - net	285	(865)
Inventory	11	607
Prepayments and other current assets	(430)	324
Notes and accounts payable	(777)	(1,305)
Other current liabilities	(2,245)	(1,350)
Logn-term payable	(10)	0
Accrued pension liabilities	1	8
Other liabilities-others	2	15
Net cash provided by (used in) operating activities	<u>738</u>	<u>879</u>
Cash flows from investing activities :		
Decrease (Increase) in restricted assets	(7)	16
Increase in available-for-sale financial assets	(82)	(200)
Proceeds from disposal of available-for-sale financial assets	0	80
Increase in financial assets carried at cost	(81)	(202)
Increase in financial asset held to maturity	0	(65)
Increase in financial asset held to maturity	(217)	0
Decrease in long-term investments from investee returning capital	2	0
Purchase of property, plant and equipment	(1,160)	(327)
Proceeds from disposal of fixed assets	0	9
Decrease (increase) in refundable deposits	19	(2)
Increase in intangible assets and deferred assets	(913)	(41)
Net cash provided by (used in) investing activities	<u>(2,439)</u>	<u>(732)</u>
Cash flows from financing activities :		
Increase (Decrease) in short-term liabilities	3,507	0
ESOP executed by employees	1	3
Net cash provided by (used in) financing activities	<u>3,508</u>	<u>3</u>
Effect of exchange rate changes	<u>(1,180)</u>	<u>442</u>
Net increase (decrease) in cash and cash equivalents	627	593
Cash and cash equivalents at the beginning of year	<u>85,821</u>	<u>85,927</u>
Cash and cash equivalents at the ending of the period	<u><u>86,448</u></u>	<u><u>86,520</u></u>