



4Q12

MediaTek Inc. Reports Fourth Quarter 2012 and Full Year 2012 Consolidated Results

- 4Q12 consolidated revenue NT\$26,737 million, down 9.3% from previous quarter
- 4Q12 consolidated gross margin 41.5%, up 0.3 percentage points from previous quarter
- 4Q12 consolidated operating income NT\$3,546 million, down 16.4% from previous quarter
- 4Q12 consolidated net income NT\$4,889 million; EPS NT\$3.70
- 2012 consolidated revenue NT\$99,263 million; EPS of NT\$12.90

Consolidated Revenue:

MediaTek Inc. today announced financial results of fourth-quarter ended December 31, 2012. Fourth quarter revenue was NT\$26,737 million, down 9.3% sequentially primarily due to low seasonality and weak global economy, and up 18.1% on a year-over-year basis, which was primarily driven by the smartphone demand.

Annual revenue totaled NT\$99,263 million.

Consolidated Gross Profit and Gross Margin:

The fourth-quarter gross profit was NT\$11,098 million, down 8.7% sequentially, and up 11.0% year-over-year. MediaTek's gross margin for the quarter was 41.5%, up 0.3 percentage points from the previous quarter, and down 2.7% percentage points from the same period last year, which was mainly due to price competition.

Gross profit of the year amounted to NT\$41,062 million (gross margin: 41.4%).

Consolidated Operating Expenses (including employee profit sharing expenses):

Operating expenses for the quarter was NT\$7,552 million (28.2% of revenue), compared with NT\$7,909 million (26.8% of revenue) in the previous quarter, and NT\$7,626 million (33.7% of revenue) in the same period last year. Operating expenses for the quarter included:

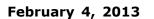
- R&D expenses of NT\$5,874 million (22.0% of revenue), down from NT\$6,249 million in 3Q12, and up from NT\$5,827 million in 4Q11.
- Selling expenses of NT\$856 million (3.2% of revenue), decreased from NT\$910 million in 3Q12, and NT\$985 million in 4Q11.
- Administration expenses of NT\$823 million (3.1% of revenue), up from NT\$750 million in 3Q12, and NT\$814 million in 4Q11.

Full-year 2012 operating expense was NT\$28,557 million (28.8% of revenue).

Consolidated Operating Profit and Operating Margin:

Operating profit for the quarter was NT\$3,546 million, down 16.4% sequentially, and up 49.7% year-over-year. Operating margin for the quarter was 13.3%, decreased from 14.4% in the previous quarter, and increased from 10.5% in the year-ago quarter.

Operating profit of the year was NT\$12,505 million (operating margin: 12.6%).







Consolidated Non-operating Income (loss) and Income Tax:

Non-operating income of NT\$1,465 million, or 5.5% of revenue, was mainly from interest income and investment income (including MStar investment income of approximately NT\$500 million). Income tax expense for the quarter was NT\$139 million.

Net non-operating income of the year amounted to NT\$4,114 million.

Consolidated Net Income and EPS:

Net income was NT\$4,889 million, a decrease of 1.1% from the prior quarter, and an increase of 67.5% from the year-ago quarter, respectively. EPS was NT\$3.70, compared with NT\$4.06 in the prior quarter and NT\$2.54 in the year-ago quarter.

Full year 2012 net income was NT\$15,688 million. Accumulated EPS was NT\$12.90 for the year.

Consolidated Cash and Financial Assets-Current:

Cash and financial assets-current at the end of the quarter was NT\$90,276 million. This represents 42.9% of the company's total assets. Cash and financial assets-current was NT\$91,177 million and NT\$91,032 million at the end of previous quarter and the year-ago quarter, respectively. Financial assets-current portfolio includes mutual funds, bonds, and derivatives.

Consolidated Accounts Receivable:

Accounts receivable (net) at the end of the quarter was NT\$ 6,585 million. The accounts receivable turnover was 25 days based on quarterly average net receivables divided by annualized net revenue. The turnover was same as 25 days last quarter, and lower than 32 days in the year-ago quarter.

Consolidated Inventory:

Net inventory was NT\$13,867 million at the end of the quarter. The inventory turnover was 76 days based on quarterly average inventory divided by annualized cost of goods sold. The turnover was higher than 61 days in the last quarter, and 60 days in the year-ago quarter.

Consolidated Cash Flow from Operations:

Cash flow from operations during the quarter was NT\$2,647 million, down from NT\$4,221 million in the prior quarter and NT\$9,323 million in the year-ago quarter, respectively.



February 4, 2013

Earnings Webcast

MediaTek will hold a public webcast today (February 4th) at 2:00 p.m. Taipei Time in Mandarin, and at 4:00 p.m. in English. A live webcast of the conference call will be available through the Investor Relations section of the MediaTek website. Investors who want to raise questions may use the toll number attached below.

Schedule and Webcast Links:

Time

2:00 – 3:00 p.m. (Taiwan Time): In Mandarin

(http://www.mzcan.com/cancast/taiwan/index.php?id=tw2454 56&version=e)

4:00 – 5:00 p.m. (Taiwan Time): In English

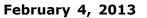
(http://www.mzcan.com/cancast/taiwan/index.php?id=tw2454 57&version=e)

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About MediaTek Inc.

MediaTek Inc. is a leading fabless semiconductor company for wireless communications and digital multimedia solutions. The company is a market leader and pioneer in cutting-edge SOC system solutions for wireless communications, high-definition TV, optical storage, and DVD and Blu-ray products. Founded in 1997 and listed on Taiwan Stock Exchange under the code "2454", MediaTek is headquartered in Taiwan and has sales or research subsidiaries in Mainland China, Singapore, India, U.S., Japan, Korea, Denmark, England, Sweden and Dubai. For more information, please visit MediaTek's website at www.mediatek.com





MediaTek Inc. Q4 FY12 Consolidated Income Statement

(In NT\$ millions, except per share amounts)

_	4Q12	3Q12	4Q11	Q-Q	Y-Y
Net Revenue	26,737	29,471	22,633	(9.3 %)	18.1%
Cost of Goods Sold	(15,639)	(17,320)	(12,639)		
Gross Profit	11,098	12,151	9,994	(8.7 %)	11.0%
Selling expenses	(856)	(910)	(985)		
Administration expenses	(823)	(750)	(814)		
R&D expenses	(5,874)	(6,249)	(5,827)		
Operating Expenses	(7,552)	(7,909)	(7,626)		
Operating Income	3,546	4,242	2,368	(16.4 %)	49.7%
Net Non-operating Income	1,465	877	746		
Income Before Income Tax	5,011	5,119	3,114		
Income tax expense	(139)	(188)	(198)		
Consolidated Net Income	4,872	4,931	2,917	(1.2 %)	67.0%
Net Loss (Income) Attributable to	17	10	1		
Minority Interests			1		
Consolidated Net Income	4,889	4 041	2.010	(1.1.0/)	67.50/
Attributable to the Parent		4,941	2,918	(1.1 %)	67.5%
EPS Attributable to the	2.70	4.06	2.54		
Parent(NT\$)	3.70	4.06	2.54		

Note: Numbers do not add up due to rounding.

Q4 FY12 Supplemental Information: Percentage of Revenue

	4Q12	3Q12	4Q11
Gross profit	41.5%	41.2%	44.2%
R&D expenses	(22.0 %)	(21.2 %)	(25.7 %)
Selling expenses	(3.2 %)	(3.1 %)	(4.4 %)
Administration expenses	(3.1 %)	(2.5 %)	(3.6 %)
Operating profit	13.3%	14.4%	10.5%
Non-operating income	5.5%	3.0%	3.3%
Income tax expense	(0.5 %)	(0.6 %)	(0.9 %)
Net profit	18.3%	16.8%	12.9%

Note: Numbers do not add up due to rounding.



MediaTek Inc. FY12 Consolidated Income Statement

(In NT\$ millions, except per share amounts)

_	2012	2011	Y-Y
Net Revenue	99,263	86,857	14.3%
Cost of Goods Sold	(58,201)	(47,513)	
Gross Profit	41,062	39,344	4.4%
Selling expenses	(3,109)	(2,861)	
Administration expenses	(3,064)	(2,955)	
R&D expenses	(22,384)	(21,184)	
Operating Expenses	(28,557)	(26,999)	
Operating Income	12,505	12,345	1.3%
Net Non-operating Income	4,114	1,859	
Income Before Income Tax	16,620	14,203	
Income tax expense	(971)	(587)	
Consolidated Net Income	15,648	13,616	14.9%
Net Loss (Income) Attributable to	39	7	
Minority Interests			
Consolidated Net Income Attributable	15 600 12 6	12 622	15.2%
to the Parent	15,688	13,623	13.270
EPS Attributable to the Parent(NT\$)	12.90	12.35	
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Note: Numbers do not add up due to rounding.

FY12 Supplement Information: Percentage of Revenue

	2012	2011	
Gross profit	41.4%	45.3%	
R&D expense	(22.6 %)	(24.4 %)	
Selling expenses	(3.1 %)	(3.3 %)	
Administration expenses	(3.1 %)	(3.4 %)	
Operating profit	12.6%	14.2%	
Non-operating income	4.1%	2.1%	
Income tax expense	(1.0 %)	(0.7 %)	
Net profit	15.8%	15.7%	

Note: Numbers do not add up due to rounding.



MediaTek Inc. Consolidated Balance Sheet

(In NT\$ millions)

	4Q12	3Q12	4Q11
Cash & Financial assets-current	90,276	91,177	91,032
Accounts receivable	6,585	8,216	7,384
Inventories	13,867	12,091	9,392
Funds and investments	65,120	65,822	9,417
Intangible assets	15,842	16,248	16,151
Total assets	210,243	211,242	147,741
Short-term loans	8,880	10,504	4,089
Accounts payable	9,047	12,054	9,022
Other current liabilities	14,946	14,328	17,317
Long-term liabilities & Other liabilities	1,595	1,505	985
Stockholders' equity	175,774	172,850	116,328

MediaTek Inc. Consolidated Cash Flow Summary

(In NT\$ millions)

	4Q12	3Q12	4Q11
Cash flow from operations	2,647	4,221	9,323
Cash flow from investing	14	(1,339)	2,130
Cash flow from financing	(1,720)	(11,869)	1,657
Effect of exchange rate changes	(220)	(928)	(254)
Net increase in cash & equivalents	721	(9,915)	12,856
Cash & equivalents at quarter end	85,867	85,146	85,821

Note: Numbers do not add up due to rounding.