

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

*Unit: Millions of New Taiwan dollars*

	2Q Comparison			Sequential Comparison		
	4Q 2012	4Q 2011	YOY%	4Q 2012	3Q 2012	QOQ%
Gross sales						
Less: Sales returns	30,549	23,471	30%	30,549	34,087	-10%
Sales discounts	(12)	(4)	199%	(12)	(26)	-53%
Net sales	(3,800)	(834)	356%	(3,800)	(4,589)	-17%
Cost of goods sold	26,737	22,633	18%	26,737	29,471	-9%
Gross profits	(15,639)	(12,639)	24%	(15,639)	(17,320)	-10%
Operating expenses	11,098	9,994	11%	11,098	12,151	-9%
Selling expenses						
General and administrative expenses	(856)	(985)	-13%	(856)	(910)	-6%
Research and development expenses	(823)	(814)	1%	(823)	(750)	10%
Total operating expenses	(5,874)	(5,827)	1%	(5,874)	(6,249)	-6%
Operating income	(7,552)	(7,626)	-1%	(7,552)	(7,909)	-5%
Net non-operating gains(losses)	3,546	2,368	50%	3,546	4,242	-16%
Income before income tax	1,465	746	96%	1,465	877	67%
Income tax expense	5,011	3,114	61%	5,011	5,119	-2%
Consolidated net income	(139)	(198)	-30%	(139)	(188)	-26%
Minority interests	4,872	2,917	67%	4,872	4,931	-1%
Consolidated net income attributable to the parent	17	1	1690%	17	10	68%
Earnings per share (NTD)	4,889	2,918	68%	4,889	4,941	-1%
Note: Numbers do not add up due to rounding.	3.70	2.54		3.70	4.06	

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

*Unit: Millions of New Taiwan dollars*

	2012	% to sales	2011	% to sales	YOY%
Gross sales	112,015	113%	91,480	105%	22%
Less: Sales returns	(44)	0%	(44)	0%	0%
Sales discounts	(12,707)	-13%	(4,578)	-5%	178%
Net sales	99,263	100%	86,857	100%	14%
Cost of goods sold	(58,201)	-59%	(47,513)	-55%	22%
Gross profits	41,062	41%	39,344	45%	4%
Operating expenses					
Selling expenses	(3,109)	-3%	(2,861)	-3%	9%
General and administrative expenses	(3,064)	-3%	(2,955)	-3%	4%
Research and development expenses	(22,384)	-23%	(21,184)	-24%	6%
Total operating expenses	(28,557)	-29%	(26,999)	-31%	6%
Operating income	12,505	13%	12,345	14%	1%
Net non-operating gains(losses)	4,114	4%	1,859	2%	121%
Income before income tax	16,620	17%	14,203	16%	17%
Income tax expense	(971)	-1%	(587)	-1%	65%
Consolidated net income	15,648	16%	13,616	16%	15%
Minority interests	39	0%	7	0%	440%
Consolidated net income attributable to the parent	15,688	16%	13,623	16%	15%
Earnings per share (NTD)	12.90		12.35		

Note: Numbers do not add up due to rounding.

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

Unit: Millions of New Taiwan dollars

	2012	%	2011	%	YOY%
Current assets					
Cash and cash equivalents	85,867	41%	85,821	58%	0%
Held-for-trading financial assets-current	0	0%	0	0%	270%
Financial assets designated at fair value through profit or	630	0%	1,617	1%	-61%
Available for sale financial assets-current	3,779	2%	2,545	2%	48%
Held-to maturity financial assets-current	0	0%	48	0%	-100%
Bond portfolios with no active market-current	0	0%	1,000	1%	-100%
Notes and accounts receivable-net	6,585	3%	7,384	5%	-11%
Inventories-net	13,867	7%	9,392	6%	48%
Prepayments and other current assets	7,343	3%	4,234	3%	73%
Total current assets	118,071	56%	112,042	76%	5%
Funds and investments	65,120	31%	9,417	6%	592%
Property, plant and equipment	10,708	5%	9,815	7%	9%
Intangible assets	15,842	8%	16,152	11%	-2%
Other assets	502	0%	321	0%	56%
Total assets	210,243	100%	147,746	100%	42%
Current liabilities					
Short-term loans	8,880	4%	4,089	3%	117%
Notes and accounts payable-net	9,047	4%	9,018	6%	0%
Other current liabilities	14,946	7%	17,326	12%	-14%
Total current liabilities	32,873	16%	30,433	21%	8%
Long-term liabilities	114	0%	0	0%	-
Other liabilities	1,482	1%	837	1%	77%
Total liabilities	34,469	16%	31,418	21%	10%
Shareholders' equity					
Capital	13,494	6%	11,475	8%	18%
Capital reserve	79,552	38%	24,606	17%	223%
Legal & special reserve	25,283	12%	25,908	18%	-2%
Undistributed earnings	62,540	30%	56,555	38%	11%
Cumulative translation adjustments	(5,762)	-3%	(2,254)	-2%	156%
Net loss not recognized as pension cost	(11)	0%	0	0%	-
Unrealized gain (loss) on financial instruments	700	0%	43	0%	1521%
Treasury stock	(56)	0%	(56)	0%	0%
Minority interest	34	0%	50	0%	-32%
Total shareholders' equity	175,774	84%	116,328	79%	51%
Total liabilities and shareholders' equity	210,243	100%	147,746	100%	42%

Note: Numbers do not add up due to rounding.

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

Unit: Millions of New Taiwan dollars

	2012	201
Cash flows from operating activities :		
Consolidated net income	15,648	13,616
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,217	1,180
Amortization	2,479	1,550
Reversal of bad debt	(81)	(63)
Sales returns and discounts provision(reversal)	1,724	(153)
Employee stock options distributed	50	89
Amortization of financial assets discount or premium	0	3
Gain on recovery in market value and obsolescence of inventories	(1,548)	(1,202)
Net gain on equity investments	(1,074)	(124)
Net loss on disposal of property, plant and equipment	10	15
Gain on disposal of investment	(830)	(67)
Valuation (gain) loss on financial instruments	(57)	95
Impairment loss of financial investments	349	0
Cash dividends from equity investees	0	167
Deferred income tax	1	186
Employees' bonuses	896	1,714
Changes in operating assets and liabilities:		
Financial assets designated as at fair value through profit or loss	1,227	(577)
Notes and accounts receivable - net	(1,240)	(74)
Inventories	(2,915)	2,588
Prepayments and other current assets	(1,275)	1,445
Notes and accounts payable	98	101
Other current liabilities	(3,287)	(3,910)
Logn-term payable	(34)	(5)
Accrued pension liabilities	20	83
Other liabilities-others	25	49
Net cash provided by operating activities	<u>11,403</u>	<u>16,707</u>
Cash flows from investing activities :		
(Increase) Decrease in restricted assets	(100)	17
Increase in available-for-sale financial assets	(404)	(4,546)
Proceeds from disposal of available-for-sale financial assets	234	6,432
Increase in financial asset held to maturity	(320)	(877)
Proceeds from disposal of financial asset held to maturity	373	0
Increase in financial assets carried at cost	(948)	(1,059)
Proceeds from disposal of financial assets carried at cost	45	6
Proceeds from disposal of investments accounted for using the equity method	1,528	0
Increase in investments accounted for using the equity method	(278)	(202)
Net cash provided by business combination	(938)	4,041
Decrease in long-term investments from investee returning capital	1	0
Increase in prepayment of long-term investments	0	(15)
Purchase of property, plant and equipment	(2,268)	(2,585)
Proceeds from disposal of fixed assets	3	2
Decrease in refundable deposits	59	10
Increase in intangible assets and deferred assets	(1,164)	(209)
Net cash (used in) provided by investing activities	<u>(4,177)</u>	<u>1,016</u>
Cash flows from financing activities :		
Increase in short-term liabilities	4,791	3,976
Increase in deposits received	24	5
Proceeds from exercise of employee stock options	2	3
Cash dividends	(10,328)	(21,999)
Cash dividends distributed to subsidiaries holding the Company's stock	70	156
Treasury stock acquired	0	(2,110)
Change in minority interests	20	52
Net cash used in financing activities	<u>(5,421)</u>	<u>(19,917)</u>
Effect of exchange rate	<u>(1,759)</u>	<u>2,088</u>
Net increase ( decrease) in cash and cash equivalents	46	(106)
Cash and cash equivalents at the beginning of year	85,821	85,927
Cash and cash equivalents at the ending of the period	<u>85,867</u>	<u>85,821</u>

Note: Numbers do not add up due to rounding.