



MediaTek Inc. Reports First Quarter 2013 Consolidated Results

- 1Q13 consolidated revenue NT\$23,974 million, down 10.3% from previous quarter
- 1Q13 consolidated gross margin 42.1%, up 0.6 percentage points from previous quarter
- 1Q13 consolidated operating income NT\$3,087 million, down 11.8% from previous quarter
- 1Q13 consolidated net income NT\$3,736 million; EPS NT\$2.79

Consolidated Revenue:

MediaTek Inc. today announced financial results of first-quarter ended March 31, 2013. First quarter revenue was NT\$23,974 million, down 10.3% sequentially primarily due to less working days and low seasonality, and up 22.2% on a year-over-year basis, which was primarily driven by the smartphone demand.

Consolidated Gross Profit and Gross Margin:

The first-quarter gross profit was NT\$10,090 million, down 9.1% sequentially, and up 22.2% year-over-year. MediaTek's gross margin for the quarter was 42.1%, up 0.6 percentage points from the previous quarter, primarily due to a better product mix, and unchanged from the year-ago quarter.

Consolidated Operating Expenses (including employee profit sharing expenses):

Operating expenses for the quarter was NT\$7,003 million (29.2% of revenue), compared with NT\$7,596 million (28.4% of revenue) in the previous quarter, and NT\$6,335 million (32.3% of revenue) in the same period last year. Operating expenses for the quarter included:

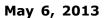
- R&D expenses of NT\$5,491 million (22.9% of revenue), down from NT\$5,927 million in 4Q12, and up from NT\$5,055 million in 1Q12.
- Selling expenses of NT\$849 million (3.5% of revenue), decreased from NT\$858 million in 4Q12, and increased from NT\$589 million in 1Q12.
- Administration expenses of NT\$662 million (2.8% of revenue), down from NT\$811 million in 4Q12, and NT\$691 million in 1Q12.

Consolidated Operating Profit and Operating Margin:

Operating profit for the quarter was NT\$3,087 million, down 11.8% sequentially, and up 60.9% year-over-year. Operating margin for the quarter was 12.9%, decreased from 13.1% in the previous quarter, and increased from 9.8% in the year-ago quarter.

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

Non-operating income of NT\$835 million, or 3.5% 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\$186 million.







Consolidated Net Income and EPS:

Net income was NT\$3,736 million, a decrease of 16.6% from the prior quarter, and an increase of 50.9% from the year-ago quarter, respectively. EPS was NT\$2.79, compared with NT\$3.36 in the prior quarter and NT\$2.17 in the year-ago quarter.

Consolidated Cash and Financial Assets-Current:

Cash and financial assets-current at the end of the quarter was NT\$98,749 million. This represents 45% of the company's total assets. Cash and financial assets-current was NT\$90,590 million and NT\$90,806 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:

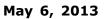
Accounts receivable (net) at the end of the quarter was NT\$ 6,795 million. The accounts receivable turnover was 25 days based on quarterly average net receivables divided by annualized net revenue. The turnover was same as 25 days last quarter, and lower than 34 days in the year-ago quarter.

Consolidated Inventory:

Net inventory was NT\$12,844 million at the end of the quarter. The inventory turnover was 88 days based on quarterly average inventory divided by annualized cost of goods sold. The turnover was higher than 76 days in the last quarter, and 77 days in the year-ago quarter.

Consolidated Cash Flow from Operations:

Cash flow from operations during the quarter was NT\$3,057 million, up from NT\$2,647 million in the prior quarter, and NT\$770 million in the year-ago quarter.





1Q13

Earnings Webcast

MediaTek will hold a public webcast today (May 6th) 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 58&version=e)

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

(http://www.mzcan.com/cancast/taiwan/index.php?id=tw2454 59&version=e)

Dial-in Number: +852 3027 5500

(Password: **898604**#)

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. Q1 FY13 Consolidated Income Statement

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

	1Q13	4Q12	1Q12	Q-Q	Y-Y
Net Revenue	23,974	26,737	19,615	(10.3 %)	22.2%
Cost of Goods Sold	(13,884)	(15,640)	(11,361)		
Gross Profit	10,090	11,097	8,254	(9.1 %)	22.2%
Selling expenses	(849)	(858)	(589)		
Administration expenses	(662)	(811)	(691)		
R&D expenses	(5,491)	(5,927)	(5,055)		
Operating Expenses	(7,003)	(7,596)	(6,335)		
Operating Income	3,087	3,501	1,919	(11.8 %)	60.9%
Net Non-operating Income	835	1,069	654		
Income Before Income Tax	3,922	4,570	2,573		
Income tax expense	(186)	(91)	(98)		
Consolidated Net Income	3,736	4,479	2,475	(16.6 %)	50.9%
EPS Attributable to the					
Parent(NT\$)	2.79	3.36	2.17		

Note: Numbers do not add up due to rounding.

Q1 FY13 Supplemental Information: Percentage of Revenue

	1Q13	4Q12	1Q12	
Gross profit	42.1%	41.5%	42.1%	
R&D expenses	(22.9 %)	(22.2 %)	(25.8 %)	
Selling expenses	(3.5 %)	(3.2 %)	(3.0 %)	
Administration expenses	(2.8 %)	(3.0 %)	(3.5 %)	
Operating profit	12.9%	13.1%	9.8%	
Non-operating income	3.5%	4.0%	3.3%	
Income tax expense	(0.8 %)	(0.3 %)	(0.5 %)	
Net profit	15.6%	16.8%	12.6%	

Note: Numbers do not add up due to rounding.



MediaTek Inc. Consolidated Balance Sheet

(In NT\$ millions)

	1Q13	4Q12	1Q12
Cash & Financial assets-current	98,749	90,590	90,806
Accounts receivable	6,795	6,585	7,372
Inventories	12,844	13,867	9,853
Funds and investments	67,680	64,966	9,907
Intangible assets	15,600	15,727	16,528
Total assets	219,650	210,407	150,137
Short-term loans	12,785	8,880	7,471
Accounts payable	7,373	9,047	8,204
Other current liabilities	15,088	15,052	15,468
Long-term liabilities & Other liabilities	1,943	1,969	1,505
Stockholders' equity	182,462	175,458	117,490

MediaTek Inc. Consolidated Cash Flow Summary

(In NT\$ millions)

	1Q13	4Q12	1Q12
Cash flow from operations	3,057	2,647	770
Cash flow from investing	74	14	(2,439)
Cash flow from financing	3,734	(1,720)	3,508
Effect of exchange rate changes	1,358	(220)	(1,212)
Net increase in cash & equivalents	8,224	722	626
Cash & equivalents at quarter end	94,091	85,867	86,448

Note: Numbers do not add up due to rounding.