

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the third quarter of year 2013

Unit: Millions of New Taiwan dollars

	2Q Comparison			Sequential Comparison		
	3Q 2013	3Q 2012	YOY%	3Q 2013	2Q 2013	QOQ%
Net Sales	39,008	29,471	32%	39,008	33,276	17%
Operation costs	(21,867)	(17,320)	26%	(21,867)	(18,891)	16%
Gross profit	17,140	12,151	41%	17,140	14,385	19%
Operating expenses						
Selling expenses	(1,205)	(911)	32%	(1,205)	(1,101)	9%
Administrative expenses	(995)	(684)	45%	(995)	(880)	13%
Research and development expenses	(7,075)	(6,324)	12%	(7,075)	(6,516)	9%
Total operating expenses	(9,274)	(7,919)	17%	(9,274)	(8,497)	9%
Operating income	7,866	4,232	86%	7,866	5,888	34%
Non-operating income and expenses	1,169	872	34%	1,169	1,256	-7%
Profit before tax	9,035	5,104	77%	9,035	7,143	26%
Income tax expense	(619)	(187)	232%	(619)	(427)	45%
Profit	8,416	4,917	71%	8,416	6,716	25%
Net other comprehensive income	(1,808)	(734)	-146%	(1,808)	1,270	-242%
Total comprehensive income	6,608	4,184	58%	6,608	7,987	-17%
Profit attributable to						
Owners of the parent	8,428	4,928		8,428	6,723	
Non-controlling interests	(12)	(10)		(12)	(7)	
	8,416	4,917		8,416	6,716	
Earnings Per Share (NTD)	6.28	3.97		6.28	5.01	

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the periods ended September 30, 2013 and 2012

Unit: Millions of New Taiwan dollars

	2013	% to sales	2012	% to sales	YOY%
Net Sales	96,258	100%	72,526	100%	33%
Operation costs	(54,643)	-57%	(42,564)	-59%	28%
Gross profit	41,615	43%	29,962	41%	39%
Operating expenses					
Selling expenses	(3,155)	-3%	(2,257)	-3%	40%
Administrative expenses	(2,537)	-2%	(2,101)	-3%	21%
Research and development expenses	(19,082)	-20%	(16,703)	-23%	14%
Total operating expenses	(24,775)	-25%	(21,061)	-29%	18%
Operating income	16,841	18%	8,902	12%	89%
Non-operating income and expenses	3,260	3%	3,013	4%	8%
Profit before tax	20,100	21%	11,915	16%	69%
Income tax expense	(1,232)	-1%	(850)	-1%	45%
Profit	18,868	20%	11,065	15%	71%
Net other comprehensive income	2,717	3%	(1,197)	-1%	327%
Total comprehensive income	21,586	23%	9,868	14%	119%
Profit attributable to					
Owners of the parent	18,892		11,087		
Non-controlling interests	(24)		(22)		
	18,868		11,065		
Earnings Per Share (NTD)	14.08		9.45		

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED BALANCE SHEETS
September 30, 2013 and 2012

Unit: Millions of New Taiwan dollars

	2013	%	2012	%	YOY%
Current assets					
Cash and cash equivalents	107,617	45%	85,146	40%	26%
Financial assets at fair value through profit or loss-current	1,916	1%	639	0%	200%
Available-for-sale financial assets-current	3,153	1%	4,069	2%	-23%
Held-to-maturity financial assets-current	392	0%	323	0%	21%
Bond portfolios with no active market-current	114	0%	1,020	1%	-89%
Trade receivables	11,059	5%	8,216	4%	35%
Inventories-net	12,938	6%	12,091	6%	7%
Other current assets	6,104	2%	6,103	3%	0%
Total current assets	143,293	60%	117,607	56%	22%
Non-current assets					
Funds and investments	66,540	28%	65,873	31%	1%
Property, plant and equipment	11,188	5%	10,821	5%	3%
Intangible assets	15,332	6%	16,134	8%	-5%
Other assets	1,842	1%	909	0%	103%
Total non-current assets	94,902	40%	93,737	44%	1%
Total assets	238,195	100%	211,344	100%	13%
Current Liabilities					
Short-term borrowings	19,760	8%	10,504	4%	88%
Trade payables	12,520	5%	12,054	6%	4%
Other current liabilities	18,690	8%	14,378	7%	30%
Total current liabilities	50,970	21%	36,936	17%	38%
Non-current liabilities					
Total non-current liabilities	2,125	1%	1,796	1%	18%
Total liabilities	53,095	22%	38,733	18%	37%
Equity					
Share Capital	13,495	6%	13,494	6%	0%
Capital surplus	68,376	29%	79,467	38%	-14%
Legal & special reserve	29,714	12%	25,283	13%	18%
Undistributed earnings	76,000	32%	57,803	27%	31%
Other Equity	(2,472)	-1%	(3,411)	-2%	-28%
Treasury stock	(56)	0%	(56)	0%	0%
Equity attributable to holders of the parent	185,057	78%	172,579	82%	7%
Non-controlling interests	43	0%	32	0%	35%
Total equity	185,099	78%	172,611	82%	7%
Total Liabilities and equity	238,195	100%	211,344	100%	13%

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MEDIATEK INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended September 30, 2013 and 2012

Unit: Millions of New Taiwan dollars

	2013	2012
Cash flows from operating activities :		
Profit before tax from continuing operations	20,100	11,915
Adjustments for :		
Non-cash activities		
Depreciation	910	923
Amortization	418	2,081
Bad debt (reversal) provision	(48)	53
Gains on financial assets and liabilities at fair value through profit or loss	(10)	(52)
Interest expenses	89	84
Interest income	(1,250)	(1,328)
Dividend income	(139)	(123)
Share-based payment expenses	57	26
Share of profit of associates accounted for using the equity method	(1,985)	(395)
Losses on disposal of property, plant and equipment	2	2
Losses (gains) on disposal of investments	34	(1,065)
Impairment of financial assets	450	174
Changes in operating assets and liabilities:		
Financial asset at fair value through profit or loss	(890)	1,226
Trade receivables	(4,428)	(912)
Trade receivables from related parties	0	24
Other receivables	571	(1,222)
Inventories	920	(2,691)
Prepayments	187	(528)
Other current assets	(183)	(234)
Trade payables	2,492	2,816
Trade payables to related parties	949	276
Other payables	1,815	(3,377)
Other current liabilities	632	328
Long-term payables	(12)	(18)
Accrued pension liabilities	6	8
Non-current liabilities-others	29	21
Cash generated from by operation activities		
Interest received	1,281	1,207
Dividend received	1,710	123
Interest paid	(76)	(76)
Income tax paid	(682)	(510)
Net cash provided by operating activities	<u>22,949</u>	<u>8,756</u>
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(920)	(333)
Proceeds from disposal of available-for-sale financial assets	1,229	216
Acquisition of bond investment for which no active market exists	(0)	(7)
Acquisition of held-to-maturity financial assets	(72)	(322)
Proceeds from disposal of held-to-maturity financial assets	0	48
Acquisition of financial assets measured at cost	(167)	(978)
Proceeds from disposal of financial assets measured at cost	0	2
Proceeds from capital return of financial assets measured at cost	142	0
Acquisition of investments accounted for using the equity method	(69)	(256)
Proceeds from disposal of investments accounted for using the equity method	0	1,528
Net cash outflows from acquisition of subsidiaries	0	(938)
Proceeds from capital return of equity investees	0	1
Acquisition of property, plant and equipment	(1,249)	(2,019)
Proceeds from disposal of property, plant and equipment	27	2
Decrease in refundable deposits	52	40
Acquisition of intangible assets	(23)	(1,061)
Increase in long-term prepaid rent	(2)	(115)
Net cash used in investing activities	<u>(1,051)</u>	<u>(4,191)</u>
Cash flows from financing activities :		
Increase in short-term borrowings	10,757	6,543
Increase in deposits received	17	12
Proceeds from exercise of employee stock options	12	1
Cash dividends	(12,074)	(10,258)
Increase in non-controlling interests	26	0
Net cash provided by financing activities	<u>(1,262)</u>	<u>(3,701)</u>
Effect of changes in exchange rate on cash and cash equivalents	<u>1,113</u>	<u>(1,539)</u>
Net increase in cash and cash equivalents	<u>21,750</u>	<u>(676)</u>
Cash and cash equivalents at the beginning of the period	<u>85,867</u>	<u>85,821</u>
Cash and cash equivalents at the end of the period	<u><u>107,617</u></u>	<u><u>85,146</u></u>

Note: Numbers do not add up due to rounding.