

MEDIATEK INC.  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the first quarter of year 2014

	2Q Comparison			Sequential Comparison		
	1Q 2014	1Q 2013	YOY%	1Q 2014	4Q 2013	QOQ%
Net Sales	46,005	23,974	92%	46,005	39,798	16%
Operating costs	(23,779)	(13,884)	71%	(23,779)	(21,608)	10%
Gross profit	22,226	10,090	120%	22,226	18,190	22%
Operating expenses						
Selling expenses	(1,134)	(849)	34%	(1,134)	(1,407)	-19%
Administrative expenses	(1,363)	(662)	106%	(1,363)	(1,009)	35%
Research and development expenses	(8,915)	(5,491)	62%	(8,915)	(7,372)	21%
Total operating expenses	(11,413)	(7,003)	63%	(11,413)	(9,787)	17%
Operating income	10,813	3,087	250%	10,813	8,403	29%
Non-operating income and expenses	688	835	-18%	688	1,044	-34%
Profit before tax	11,501	3,922	193%	11,501	9,446	22%
Income tax expense	(1,362)	(186)	631%	(1,362)	(830)	64%
Profit	10,139	3,736	171%	10,139	8,616	18%
Net other comprehensive income	1,118	3,255	-66%	1,118	1,537	-27%
Total comprehensive income	11,257	6,991	61%	11,257	10,153	11%
Profit attributable to						
Owners of the parent	10,147	3,741		10,147	8,623	
Non-controlling interests	(8)	(5)		(8)	(7)	
	10,139	3,736		10,139	8,616	
Earnings Per Share (NTD)	6.82	2.79		6.82	6.43	

Note: Numbers do not add up due to rounding.

MEDIATEK INC.  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the periods ended March 31, 2014 and 2013

*Unit: Millions of New Taiwan dollars*

	2014	% to sales	2013	% to sales	YOY%
Net Sales	46,005	100%	23,974	100%	92%
Operating costs	(23,779)	-52%	(13,884)	-58%	71%
Gross profit	22,226	48%	10,090	42%	120%
Operating expenses					
Selling expenses	(1,134)	-3%	(849)	-3%	34%
Administrative expenses	(1,363)	-3%	(662)	-3%	106%
Research and development expenses	(8,915)	-19%	(5,491)	-23%	62%
Total operating expenses	(11,413)	-25%	(7,003)	-29%	63%
Operating income	10,813	23%	3,087	13%	250%
Non-operating income and expenses	688	2%	835	3%	-18%
Profit before tax	11,501	25%	3,922	16%	193%
Income tax expense	(1,362)	-3%	(186)	-1%	631%
Profit	10,139	22%	3,736	15%	171%
Net other comprehensive income	1,118	2%	3,255	14%	-66%
Total comprehensive income	11,257	24%	6,991	29%	61%
Profit attributable to					
Owners of the parent	10,147		3,741		
Non-controlling interests	(8)		(5)		
	10,139		3,736		
Earnings Per Share (NTD)	6.82		2.79		

Note: Numbers do not add up due to rounding.

MEDIATEK INC.  
CONSOLIDATED BALANCE SHEETS  
March 31, 2014 and 2013

Unit: Millions of New Taiwan dollars

	2014	%	2013	%	YOY%
Current assets					
Cash and cash equivalents	166,999	56%	94,091	43%	77%
Financial assets at fair value through profit or loss-current	2,473	1%	1,396	1%	77%
Available-for-sale financial assets-current	3,650	1%	3,149	1%	16%
Held-to-maturity financial assets-current	784	0%	0	0%	0%
Bond portfolios with no active market-current	12	0%	114	0%	-90%
Trade receivables	13,572	5%	6,795	3%	100%
Inventories-net	16,649	6%	12,844	6%	30%
Other current assets	6,745	2%	5,377	2%	25%
Total current assets	210,884	71%	123,766	56%	70%
Non-current assets					
Funds and investments	10,122	3%	67,680	31%	-85%
Property, plant and equipment	14,770	5%	11,180	5%	32%
Intangible assets	60,584	20%	15,600	7%	288%
Other assets	2,183	1%	1,423	1%	53%
Total non-current assets	87,659	29%	95,884	44%	-9%
Total assets	298,543	100%	219,650	100%	36%
Current Liabilities					
Short-term borrowings	22,101	7%	12,785	6%	73%
Trade paybles	17,421	6%	7,373	3%	136%
Other current liabilities	29,008	10%	15,088	7%	92%
Total current liabilities	68,530	23%	35,246	16%	94%
Non-current liabilities					
Total non-current liabilities	1,615	1%	1,943	1%	-17%
Total liabilities	70,145	24%	37,188	17%	89%
Equity					
Share Capital	15,710	5%	13,494	6%	16%
Capital surplus	88,050	29%	79,686	36%	10%
Legal & special reserve	29,714	10%	25,283	12%	18%
Undistributed earnings	94,729	32%	65,955	30%	44%
Other Equity	192	0%	(1,923)	-1%	110%
Treasury stock	(56)	0%	(56)	0%	0%
Equity attributable to holders of the parent	228,338	76%	182,438	83%	25%
Non-controlling interests	60	0%	24	0%	150%
Total equity	228,398	76%	182,462	83%	25%
Total Liabilities and equity	298,543	100%	219,650	100%	36%

Note: Numbers do not add up due to rounding.

MEDIATEK INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended March 31, 2014 and 2013

Unit: Millions of New Taiwan dollars

	2014	2013
<b>Cash flows from operating activities :</b>		
Profit before tax from continuing operations	11,501	3,922
Adjustments for :		
The profit or loss items which did not affect cash flows:		
Depreciation	304	299
Amortization	425	158
Bad debt provision (reversal)	14	(17)
(Gain) loss on financial assets and liabilities at fair value through profit or loss	(6)	3
Interest expenses	82	16
Interest income	(616)	(369)
Dividend income	(52)	(18)
Share-based payment expenses	19	13
Share of profit of associates accounted for using the equity method	(484)	(497)
Losses on disposal of property, plant and equipment	0	0
Loss on disposal of investments	8	31
Impairment of financial assets	0	109
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	277	(932)
Trade receivables	(1,828)	(431)
Other receivables	(43)	1,500
Inventories	(3,521)	1,085
Prepayments	(143)	169
Other current assets	(234)	(14)
Trade payables	3,576	(1,557)
Trade payables to related parties	(269)	(161)
Other payables	(31)	(1,074)
Other current liabilities	(139)	589
Long-term payables	(5)	(4)
Accrued pension liabilities	3	2
Non-current liabilities-others	21	4
Cash generated from operating activities		
Interest received	414	279
Dividend received	52	18
Interest paid	(95)	(13)
Income tax paid	(90)	(53)
Net cash provided by operating activities	<u>9,140</u>	<u>3,057</u>
<b>Cash flows from investing activities :</b>		
Acquisition of available-for-sale financial assets	(290)	(370)
Proceeds from disposal of available-for-sale financial assets	21	979
Acquisition of bond investment for which no active market exists	(0)	0
Acquisition of financial assets measured at cost	(789)	(79)
Proceeds from disposal of financial assets measured at cost	0	0
Proceeds from capital return of financial assets measured at cost	3	101
Acquisition of investments accounted for using the equity method	(76)	0
Net cash inflows from acquisition of subsidiaries	33,097	0
Acquisition of property, plant and equipment	(603)	(550)
Proceeds from disposal of property, plant and equipment	63	0
Decrease (increase) in refundable deposits	9	(2)
Acquisition of intangible assets	(256)	(6)
Decrease (increase) of long-term prepaid rent	2	(3)
Net cash provided by investing activities	<u>31,182</u>	<u>74</u>
<b>Cash flows from financing activities :</b>		
(Decrease) increase in short-term borrowings	(7,138)	3,734
Decrease in long-term borrowings	(651)	0
Decrease in deposits received	(7)	(0)
Proceeds from exercise of employee stock options	50	0
Decrease in non-controlling interests	(0)	0
Net cash (used in) provided by financing activities	<u>(7,745)</u>	<u>3,734</u>
Effect of changes in exchange rate on cash and cash equivalents	<u>1,424</u>	<u>1,358</u>
Net increase in cash and cash equivalents	34,001	8,224
Cash and cash equivalents at the beginning of the period	132,998	85,867
Cash and cash equivalents at the end of the period	<u><u>166,999</u></u>	<u><u>94,091</u></u>

Note: Numbers do not add up due to rounding.