

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the first quarter of year 2015

Unit: Millions of New Taiwan dollars

	2Q Comparison			Sequential Comparison		
	1Q 2015	1Q 2014	YOY%	1Q 2015	4Q 2014	QOQ%
Net Sales	47,536	46,005	3%	47,536	55,453	-14%
Operating costs	(25,038)	(23,779)	5%	(25,038)	(28,868)	-13%
Gross profit	22,499	22,226	1%	22,499	26,585	-15%
Operating expenses						
Selling expenses	(2,169)	(1,134)	91%	(2,169)	(2,646)	-18%
Administrative expenses	(1,807)	(1,363)	33%	(1,807)	(1,584)	14%
Research and development expenses	(10,851)	(8,915)	22%	(10,851)	(12,481)	-13%
Total operating expenses	(14,827)	(11,413)	30%	(14,827)	(16,711)	-11%
Operating income	7,672	10,813	-29%	7,672	9,874	-22%
Non-operating income and expenses	470	688	-32%	470	1,908	-75%
Net income before income tax	8,142	11,501	-29%	8,142	11,782	-31%
Income tax expense	(891)	(1,362)	-35%	(891)	(1,372)	-35%
Net income	7,251	10,139	-28%	7,251	10,410	-30%
Net other comprehensive income	(1,341)	1,118	-220%	(1,341)	5,792	-123%
Total comprehensive income	5,910	11,257	-48%	5,910	16,202	-64%
Net income (loss) attributable to :						
Owners of the parent	7,226	10,147		7,226	10,393	
Non-controlling interests	25	(8)		25	17	
	7,251	10,139		7,251	10,410	
Earnings Per Share (NTD)	4.62	6.82		4.62	6.65	

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the periods ended March 31, 2015 and 2014

Unit: Millions of New Taiwan dollars

	2015	% to sales	2014	% to sales	YOY%
Net Sales	47,536	100%	46,005	100%	3%
Operating costs	(25,038)	-53%	(23,779)	-52%	5%
Gross profit	22,499	47%	22,226	48%	1%
Operating expenses					
Selling expenses	(2,169)	-4%	(1,134)	-3%	91%
Administrative expenses	(1,807)	-4%	(1,363)	-3%	33%
Research and development expenses	(10,851)	-23%	(8,915)	-19%	22%
Total operating expenses	(14,827)	-31%	(11,413)	-25%	30%
Operating income	7,672	16%	10,813	23%	-29%
Non-operating income and expenses	470	1%	688	2%	-32%
Net income before income tax	8,142	17%	11,501	25%	-29%
Income tax expense	(891)	-2%	(1,362)	-3%	-35%
Net income	7,251	15%	10,139	22%	-28%
Net other comprehensive income	(1,341)	-3%	1,118	2%	-220%
Total comprehensive income	5,910	12%	11,257	24%	-48%
Net income (loss) attributable to :					
Owners of the parent	7,226		10,147		
Non-controlling interests	25		(8)		
	7,251		10,139		
Earnings Per Share (NTD)	4.62		6.82		

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED BALANCE SHEETS
March 31, 2015 and 2014

Unit: Millions of New Taiwan dollars

	2015	%	2014	%	YOY%
Current assets					
Cash and cash equivalents	196,143	54%	166,999	56%	17%
Financial assets at fair value through profit or loss-current	1,654	0%	2,473	1%	-33%
Available-for-sale financial assets-current	6,378	2%	3,650	1%	75%
Held-to-maturity financial assets-current	283	0%	784	0%	-64%
Debt instrument investments for which no active market exists-current	493	0%	12	0%	4113%
Trade receivables, net	13,347	4%	13,572	5%	-2%
Inventories, net	28,085	8%	16,649	6%	69%
Other current assets	6,380	1%	6,745	2%	-5%
Total current assets	252,763	69%	210,884	71%	20%
Non-current assets					
Funds and investments	17,236	5%	10,122	3%	70%
Property, plant and equipment	27,334	8%	14,770	5%	85%
Intangible assets	63,007	17%	60,584	20%	4%
Other assets	3,494	1%	2,183	1%	60%
Total non-current assets	111,070	31%	87,659	29%	27%
Total assets	363,834	100%	298,543	100%	22%
Current Liabilities					
Short-term borrowings	50,934	14%	22,101	7%	130%
Trade payables	19,650	5%	17,421	6%	13%
Other current liabilities	37,575	10%	29,008	10%	30%
Total current liabilities	108,158	29%	68,530	23%	58%
Non-current liabilities					
Total non-current liabilities	2,055	1%	1,615	1%	27%
Total liabilities	110,214	30%	70,145	24%	57%
Equity					
Share capital	15,716	4%	15,710	5%	0%
Capital surplus	88,133	24%	88,050	29%	0%
Legal & special reserve	28,288	8%	29,714	10%	-5%
Undistributed earnings	115,792	32%	94,729	32%	22%
Other equity	5,269	2%	192	0%	2642%
Treasury shares	(56)	0%	(56)	0%	0%
Equity attributable to owners of the parent	253,142	70%	228,338	76%	11%
Non-controlling interests	478	0%	60	0%	696%
Total equity	253,620	70%	228,398	76%	11%
Total liabilities and equity	363,834	100%	298,543	100%	22%

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended March 31, 2015 and 2014

Unit: Millions of New Taiwan dollars

	2015	2014
Cash flows from operating activities :		
Profit before tax from continuing operations	8,142	11,501
Adjustments for :		
The profit or loss items which did not affect cash flows:		
Depreciation	414	304
Amortization	640	425
Bad debt provision	44	14
Gains on financial assets and liabilities at fair value through profit or loss	(78)	(6)
Interest expenses	155	82
Interest income	(816)	(616)
Dividend income	(48)	(52)
Share-based payment expenses	17	19
Share of profit of associates accounted for using the equity method	(78)	(484)
Losses on disposal of property, plant and equipment	0	0
(Gain) loss on disposal of investments	(10)	8
Impairment of financial assets	56	0
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	1,770	277
Trade receivables	(888)	(1,828)
Other receivables	2,350	(43)
Inventories	(5,643)	(3,521)
Prepayments	(137)	(143)
Other current assets	(127)	(234)
Trade payables	5,190	3,576
Trade payables to related parties	(145)	(269)
Other payables	(4,986)	(31)
Other current liabilities	(166)	(139)
Long-term payables	(10)	(5)
Net defined benefit liabilities	14	3
Non-current liabilities-others	(12)	21
Cash generated from operating activities		
Interest received	695	414
Dividend received	63	52
Interest paid	(133)	(95)
Income tax paid	(274)	(90)
Net cash provided by operating activities	<u>6,000</u>	<u>9,140</u>
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(1,384)	(290)
Proceeds from disposal of available-for-sale financial assets	856	21
Acquisition of debt instrument investments for which no active market exists	(691)	(0)
Proceeds from disposal of debt instrument investments for which no active market exists	1,064	0
Acquisition of held-to-maturity financial assets	(753)	0
Acquisition of financial assets measured at cost	(75)	(789)
Proceeds from disposal of financial assets measured at cost	24	0
Proceeds from capital return of financial assets measured at cost	7	3
Acquisition of investments accounted for using the equity method	(40)	(76)
Proceeds from capital return of investments accounted for using the equity method	21	0
Net cash inflows from acquisition of subsidiaries	0	33,097
Acquisition of property, plant and equipment	(4,511)	(603)
Proceeds from disposal of property, plant and equipment	3	63
Decrease in refundable deposits	9	9
Acquisition of intangible assets	(1,452)	(256)
(Increase) decrease in long-term prepaid rent	(33)	2
Net cash (used in) provided by investing activities	<u>(6,955)</u>	<u>31,182</u>
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	4,773	(7,138)
Decrease in long-term borrowings	0	(651)
Decrease in deposits received	(2)	(7)
Proceeds from exercise of employee stock options	28	50
Increase (decrease) in non-controlling interests	59	(0)
Net cash provided by (used in) financing activities	<u>4,859</u>	<u>(7,745)</u>
Effect of changes in exchange rate on cash and cash equivalents	(558)	1,424
Net increase in cash and cash equivalents	3,346	34,001
Cash and cash equivalents at the beginning of the period	192,798	132,998
Cash and cash equivalents at the end of the period	<u>196,143</u>	<u>166,999</u>

Note: Numbers do not add up due to rounding.