

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

Unit: Millions of New Taiwan dollars

	2Q Comparison			Sequential Comparison		
	3Q 2015	3Q 2014	YOY%	3Q 2015	2Q 2015	QOQ%
Net Sales	56,962	57,472	-1%	56,962	47,044	21%
Operating costs	(32,658)	(29,238)	12%	(32,658)	(25,448)	28%
Gross profit	24,304	28,234	-14%	24,304	21,596	13%
Operating expenses						
Selling expenses	(1,904)	(1,521)	25%	(1,904)	(1,655)	15%
Administrative expenses	(2,436)	(1,381)	76%	(2,436)	(2,178)	12%
Research and development expenses	(12,343)	(11,538)	7%	(12,343)	(10,897)	13%
Total operating expenses	(16,682)	(14,440)	16%	(16,682)	(14,730)	13%
Operating income	7,622	13,794	-45%	7,622	6,866	11%
Non-operating income and expenses	1,452	1,119	30%	1,452	541	169%
Net income before income tax	9,074	14,914	-39%	9,074	7,407	23%
Income tax expense	(1,114)	(1,612)	-31%	(1,114)	(1,030)	8%
Net income	7,960	13,301	-40%	7,960	6,377	25%
Net other comprehensive income	3,434	3,463	-1%	3,434	(379)	1005%
Total comprehensive income	11,394	16,764	-32%	11,394	5,998	90%
Net income (loss) attributable to :						
Owners of the parent	7,954	13,299		7,954	6,350	
Non-controlling interests	5	2		5	27	
	7,960	13,301		7,960	6,377	
Basic Earnings Per Share (NTD)	5.09	8.51		5.09	4.06	

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the periods ended September 30, 2015 and 2014

Unit: Millions of New Taiwan dollars

	2015	% to sales	2014	% to sales	YOY%
Net Sales	151,542	100%	157,610	100%	-4%
Operating costs	(83,143)	-55%	(80,327)	-51%	4%
Gross profit	68,399	45%	77,283	49%	-11%
Operating expenses					
Selling expenses	(5,727)	-4%	(4,727)	-3%	21%
Administrative expenses	(6,421)	-4%	(4,333)	-3%	48%
Research and development expenses	(34,091)	-23%	(30,856)	-19%	10%
Total operating expenses	(46,239)	-31%	(39,916)	-25%	16%
Operating income	22,160	14%	37,367	24%	-41%
Non-operating income and expenses	2,463	2%	3,200	2%	-23%
Net income before income tax	24,624	16%	40,568	26%	-39%
Income tax expense	(3,035)	-2%	(4,579)	-3%	-34%
Net income	21,588	14%	35,989	23%	-40%
Net other comprehensive income	1,714	1%	1,477	1%	16%
Total comprehensive income	23,302	15%	37,466	24%	-38%
Net income (loss) attributable to :					
Owners of the parent	21,530		36,005		
Non-controlling interests	58		(16)		
	21,588		35,989		
Basic Earnings Per Share (NTD)	13.77		23.41		

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED BALANCE SHEETS
As of September 30, 2015 and 2014

	Unit: Millions of New Taiwan dollars				
	2015	%	2014	%	YOY%
Current assets					
Cash and cash equivalents	159,116	46%	185,070	55%	-14%
Financial assets at fair value through profit or loss-current	1,865	1%	2,417	1%	-23%
Available-for-sale financial assets-current	6,955	2%	6,475	2%	7%
Held-to-maturity financial assets-current	330	0%	433	0%	-24%
Debt instrument investments for which no active market exists-current	701	0%	326	0%	115%
Trade receivables, net	16,117	4%	15,418	5%	5%
Inventories, net	33,981	10%	24,464	7%	39%
Other current assets	7,330	2%	8,923	3%	-18%
Total current assets	<u>226,396</u>	<u>65%</u>	<u>243,526</u>	<u>73%</u>	<u>-7%</u>
Non-current assets					
Funds and investments	22,904	7%	12,179	3%	88%
Property, plant and equipment	30,473	9%	16,736	5%	82%
Intangible assets	64,072	18%	59,259	18%	8%
Other assets	3,571	1%	3,382	1%	6%
Total non-current assets	<u>121,019</u>	<u>35%</u>	<u>91,557</u>	<u>27%</u>	<u>32%</u>
Total assets	<u>347,415</u>	<u>100%</u>	<u>335,083</u>	<u>100%</u>	<u>4%</u>
Current Liabilities					
Short-term borrowings	57,033	16%	43,454	13%	31%
Trade payables	18,667	5%	21,307	6%	-12%
Other current liabilities	31,719	10%	37,622	12%	-16%
Total current liabilities	<u>107,419</u>	<u>31%</u>	<u>102,383</u>	<u>31%</u>	<u>5%</u>
Non-current liabilities					
Total non-current liabilities	<u>2,922</u>	<u>1%</u>	<u>1,721</u>	<u>0%</u>	<u>70%</u>
Total liabilities	<u>110,340</u>	<u>32%</u>	<u>104,104</u>	<u>31%</u>	<u>6%</u>
Equity					
Share capital	15,716	5%	15,714	5%	0%
Capital surplus	88,369	26%	87,900	26%	1%
Legal & special reserve	32,032	9%	28,288	8%	13%
Undistributed earnings	91,778	26%	98,446	30%	-7%
Other equity	8,323	2%	557	0%	1393%
Treasury shares	(56)	0%	(56)	0%	0%
Equity attributable to owners of the parent	<u>236,164</u>	<u>68%</u>	<u>230,850</u>	<u>69%</u>	<u>2%</u>
Non-controlling interests	<u>911</u>	<u>0%</u>	<u>129</u>	<u>0%</u>	<u>607%</u>
Total equity	<u>237,075</u>	<u>68%</u>	<u>230,979</u>	<u>69%</u>	<u>3%</u>
Total liabilities and equity	<u>347,415</u>	<u>100%</u>	<u>335,083</u>	<u>100%</u>	<u>4%</u>

Note: Numbers do not add up due to rounding.

MEDIATEK INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30, 2015 and 2014

Unit: Millions of New Taiwan dollars

	2015	2014
Cash flows from operating activities :		
Profit before tax from continuing operations	24,624	40,568
Adjustments for :		
The profit or loss items which did not affect cash flows:		
Depreciation	1,357	958
Amortization	2,054	1,080
Bad debt (reversal) provision	(29)	14
Losses on financial assets and liabilities at fair value through profit or loss	75	18
Interest expenses	417	343
Interest income	(2,238)	(2,323)
Dividend income	(366)	(201)
Share-based payment expenses	32	50
Share of profit of associates accounted for using the equity method	(374)	(777)
Losses on disposal of property, plant and equipment	6	2
Gains on disposal of investments	(1,224)	(895)
Impairment of financial assets	851	263
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	(426)	(891)
Trade receivables	(2,822)	(3,637)
Other receivables	1,856	(979)
Inventories	(11,390)	(11,334)
Prepayments	(118)	(668)
Other current assets	(626)	(848)
Trade payables	3,809	8,614
Trade payables to related parties	97	(1,381)
Other payables	(6,481)	8,622
Other current liabilities	963	68
Long-term payables	(26)	(21)
Net defined benefit liabilities	8	24
Non-current liabilities-others	8	29
Cash generated from operating activities		
Interest received	2,531	2,024
Dividend received	663	303
Interest paid	(407)	(308)
Income tax paid	(7,613)	(4,791)
Net cash provided by operating activities	<u>5,212</u>	<u>33,926</u>
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(6,907)	(3,271)
Proceeds from disposal of available-for-sale financial assets	3,914	412
Acquisition of debt instrument investments for which no active market exists	(1,578)	(623)
Proceeds from disposal of debt instrument investments for which no active market exists	1,851	412
Acquisition of held-to-maturity financial assets	(1,774)	0
Proceeds from disposal of held-to-maturity financial assets	299	635
Acquisition of financial assets measured at cost	(1,199)	(1,579)
Proceeds from disposal of financial assets measured at cost	34	930
Proceeds from capital return of financial assets measured at cost	29	27
Acquisition of investments accounted for using the equity method	(459)	(202)
Proceeds from disposal of investments accounted for using the equity method	248	0
Proceeds from capital return of investments accounted for using the equity method	22	0
Net cash (outflow) inflow from acquisition of subsidiaries	(1,896)	33,097
Acquisition of property, plant and equipment	(8,379)	(3,074)
Proceeds from disposal of property, plant and equipment	9	91
Increase in refundable deposits	(28)	(160)
Acquisition of intangible assets	(1,895)	(182)
(Increase) decrease in long-term prepaid rent	(35)	2
Net cash (used in) provided by investing activities	<u>(17,745)</u>	<u>26,514</u>
Cash flows from financing activities :		
Increase in short-term borrowings	10,340	14,436
Decrease in long-term borrowings	0	(651)
Increase in deposits received	3	46
Proceeds from exercise of employee stock options	30	209
Cash dividends	(34,403)	(23,448)
Change in non-controlling interests	242	165
Net cash used in financing activities	<u>(23,789)</u>	<u>(9,243)</u>
Effect of changes in exchange rate on cash and cash equivalents	<u>2,640</u>	<u>876</u>
Net (decrease) increase in cash and cash equivalents	<u>(33,682)</u>	<u>52,073</u>
Cash and cash equivalents at the beginning of the period	<u>192,798</u>	<u>132,998</u>
Cash and cash equivalents at the end of the period	<u><u>159,116</u></u>	<u><u>185,070</u></u>

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