

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As of June 30, 2013, December 31, 2012, June 30, 2012 and January 1, 2012
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	30.06.2013		31.12.2012		30.06.2012		01.01.2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Current assets :								
Cash and cash equivalents	\$ 828,529	54	750,297	61	793,236	63	714,629	56
Current financial assets at fair value through profit or loss	193,965	13	88,229	7	141,727	11	198,535	15
Notes receivable, net	1,108	-	2,529	-	3,551	-	1,991	-
Accounts receivable, net	259,800	17	110,082	9	72,619	6	78,735	6
Accounts receivable due from related parties, net	7,208	-	6,222	1	5,527	1	23,019	2
Other receivables	2,052	-	1,386	-	1,247	-	1,230	-
Inventories	134,252	9	101,749	8	114,821	9	138,464	11
Prepayments	9,514	-	6,201	1	6,936	1	8,784	1
Other current financial assets	1,070	-	1,070	-	1,057	-	6,057	-
Total current assets	1,437,498	93	1,067,765	87	1,140,721	91	1,171,444	91
Non-current assets :								
Non-current financial assets at fair value through profit or loss	354	-	50,040	4	-	-	-	-
Non-current held-to-maturity financial assets, net	50,000	3	50,000	4	50,000	4	50,000	4
Property, plant and equipment	6,602	-	6,122	-	4,842	-	4,315	-
Deferred tax assets	28,372	2	32,478	3	30,784	3	26,510	3
Guarantee deposits paid	4,128	-	4,717	-	4,760	-	4,762	-
Non-current prepaid pension cost	689	-	424	-	993	-	736	-
Other non-current assets, others	19,545	2	21,887	2	24,093	2	25,140	2
Total non-current assets	109,690	7	165,668	13	115,472	9	111,463	9
Total Assets	\$ 1,547,188	100	1,233,433	100	1,256,193	100	1,282,907	100

	30.06.2013		31.12.2012		30.06.2012		01.01.2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Liabilities and equity								
Current liabilities :								
Notes payable	\$ 64	-	64	-	64	-	64	-
Accounts payable	89,748	6	74,334	6	53,102	4	103,121	8
Dividends payable	103,703	7	-	-	203,340	16	-	-
Other payables, others	131,980	8	70,809	5	85,108	7	102,000	8
Current tax liabilities	55,248	4	44,098	4	34,688	3	33,016	3
Current provisions for employee benefits	2,694	-	2,221	-	2,653	-	2,531	-
Other current liabilities	6,873	-	7,898	1	4,997	1	6,311	-
Total current liabilities	390,310	25	199,424	16	383,952	31	247,043	19
Non-current liabilities :								
Non-current financial liabilities at fair value through profit or loss	-	-	418	-	-	-	-	-
Bonds payable	89,175	6	89,068	7	-	-	-	-
Total non-current liabilities	89,175	6	89,486	7	-	-	-	-
Total liabilities	479,485	31	288,910	23	383,952	31	247,043	19
Equity attributable to owners of parent :								
Ordinary share	482,341	31	482,341	39	472,883	37	472,883	37
Stock dividend to be distributed	40,999	3	-	-	9,458	1	-	-
	523,340	34	482,341	39	482,341	38	472,883	37
Capital surplus :								
Capital surplus, additional paid-in capital arising from ordinary share	175,079	11	216,078	18	216,078	17	225,536	18
Capital surplus, net assets from merger	39,842	3	39,842	3	39,842	3	39,842	3
Capital surplus, share options	514	-	514	-	-	-	-	-
	215,435	14	256,434	21	255,920	20	265,378	21
Retained earnings :								
Legal reserve	99,318	6	88,086	7	88,086	7	64,528	5
Special reserve	1,985	-	1,550	-	1,550	-	1,713	-
Unappropriated retained earnings (accumulated deficit)	229,215	15	118,097	10	45,880	4	232,912	18
	330,518	21	207,733	17	135,516	11	299,153	23
Other equity interest :								
Exchange differences on translation of foreign financial statements	(1,590)	-	(1,985)	-	(1,536)	-	(1,550)	-
Total equity	1,067,703	69	944,523	77	872,241	69	1,035,864	81
Total liabilities and equity	\$ 1,547,188	100	1,233,433	100	1,256,193	100	1,282,907	100

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended June 30, 2013 and 2012
For the six months ended June 30, 2013 and 2012
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	For The Three Months Ended June 30				For The Six Months Ended June 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Sales revenue	\$ 390,332	101	150,408	100	709,992	101	299,419	102
Less : Sales returns	3,877	1	556	-	3,881	1	4,775	2
Sales discounts and allowances	568	-	2	-	568	-	25	-
Operating revenue	<u>385,887</u>	<u>100</u>	<u>149,850</u>	<u>100</u>	<u>705,543</u>	<u>100</u>	<u>294,619</u>	<u>100</u>
Cost of sales	<u>155,676</u>	<u>40</u>	<u>74,011</u>	<u>49</u>	<u>280,091</u>	<u>40</u>	<u>150,698</u>	<u>51</u>
Gross profit (loss) from operations	<u>230,211</u>	<u>60</u>	<u>75,839</u>	<u>51</u>	<u>425,452</u>	<u>60</u>	<u>143,921</u>	<u>49</u>
Operating expenses								
Selling expenses	13,756	4	9,952	7	26,983	4	20,494	7
Administrative expenses	17,002	4	10,073	7	33,904	5	20,469	7
Research and development expenses	68,683	18	34,533	23	123,339	17	68,052	23
Total operating expenses	<u>99,441</u>	<u>26</u>	<u>54,558</u>	<u>37</u>	<u>184,226</u>	<u>26</u>	<u>109,015</u>	<u>37</u>
Net operating income (loss)	<u>130,770</u>	<u>34</u>	<u>21,281</u>	<u>14</u>	<u>241,226</u>	<u>34</u>	<u>34,906</u>	<u>12</u>
Non-operating income and expenses :								
Other income	5,422	1	4,711	3	11,736	2	8,565	3
Other gains and losses, net	2,747	1	1,351	1	7,312	1	790	-
Finance costs, net	(279)	-	-	-	(557)	-	-	-
Total non-operating income and expenses	<u>7,890</u>	<u>2</u>	<u>6,062</u>	<u>4</u>	<u>18,491</u>	<u>3</u>	<u>9,355</u>	<u>3</u>
Profit (loss) before tax	<u>138,660</u>	<u>36</u>	<u>27,343</u>	<u>18</u>	<u>259,717</u>	<u>37</u>	<u>44,261</u>	<u>15</u>
Less : Tax expense (income)	<u>18,057</u>	<u>5</u>	<u>3,149</u>	<u>2</u>	<u>33,229</u>	<u>5</u>	<u>4,558</u>	<u>2</u>
Profit (loss)	<u>120,603</u>	<u>31</u>	<u>24,194</u>	<u>16</u>	<u>226,488</u>	<u>32</u>	<u>39,703</u>	<u>13</u>
Other comprehensive income :								
Other comprehensive income, before tax, exchange differences on translation	67	-	154	-	395	-	14	-
Less : Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
Other comprehensive income, net	<u>67</u>	<u>-</u>	<u>154</u>	<u>-</u>	<u>395</u>	<u>-</u>	<u>14</u>	<u>-</u>
Comprehensive income	<u>\$ 120,670</u>	<u>31</u>	<u>24,348</u>	<u>16</u>	<u>226,883</u>	<u>32</u>	<u>39,717</u>	<u>13</u>
Profit (loss), attributable to :								
Profit (loss), attributable to owners of parent	<u>\$ 120,603</u>	<u>31</u>	<u>24,194</u>	<u>16</u>	<u>226,488</u>	<u>32</u>	<u>39,703</u>	<u>13</u>
Comprehensive income attributable to :								
Comprehensive income, attributable to owners of parent	<u>\$ 120,670</u>	<u>31</u>	<u>24,348</u>	<u>16</u>	<u>226,883</u>	<u>32</u>	<u>39,717</u>	<u>13</u>
Earnings per share(NT Dollars) :								
Basic earnings per share	<u>\$ 2.50</u>		<u>0.50</u>		<u>4.70</u>		<u>0.82</u>	
Diluted earnings per share	<u>\$ 2.43</u>		<u>0.50</u>		<u>4.56</u>		<u>0.81</u>	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the six months ended June 30, 2013 and 2012
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity attributable to owners of parent							Total equity
	Share capital		Capital surplus	Retained earnings			Other equity interest	
	Ordinary share	Stock dividend to be distributed		Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	
Beginning balance, January 1, 2012	\$ 472,883	-	265,378	64,528	1,713	232,912	(1,550)	1,035,864
Appropriation and distribution of retained earnings :								
Legal reserve appropriated	-	-	-	23,558	-	(23,558)	-	-
Cash dividends of ordinary share	-	-	-	-	-	(203,340)	-	(203,340)
Reversal of special reserve	-	-	-	-	(163)	163	-	-
Stock dividends from capital surplus	-	9,458	(9,458)	-	-	-	-	-
Profit for current period	-	-	-	-	-	39,703	-	39,703
Other comprehensive income for current period	-	-	-	-	-	-	14	14
Total comprehensive income	-	-	-	-	-	39,703	14	39,717
Ending Balance, June 30, 2012	<u>\$ 472,883</u>	<u>9,458</u>	<u>255,920</u>	<u>88,086</u>	<u>1,550</u>	<u>45,880</u>	<u>(1,536)</u>	<u>872,241</u>
Beginning balance, January 1, 2013	\$ 482,341	-	256,434	88,086	1,550	118,097	(1,985)	944,523
Appropriation and distribution of retained earnings :								
Legal reserve appropriated	-	-	-	11,232	-	(11,232)	-	-
Special reserve appropriated	-	-	-	-	435	(435)	-	-
Cash dividends of ordinary share	-	-	-	-	-	(103,703)	-	(103,703)
Stock dividends from capital surplus	-	40,999	(40,999)	-	-	-	-	-
Profit for current period	-	-	-	-	-	226,488	-	226,488
Other comprehensive income for current period	-	-	-	-	-	-	395	395
Total comprehensive income	-	-	-	-	-	226,488	395	226,883
Ending Balance, June 30, 2013	<u>\$ 482,341</u>	<u>\$ 40,999</u>	<u>215,435</u>	<u>99,318</u>	<u>1,985</u>	<u>229,215</u>	<u>(1,590)</u>	<u>1,067,703</u>

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW
For the six months ended June 30, 2013 and 2012
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	2013	2012
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 259,717	44,261
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	1,742	1,331
Amortization expense	19,359	9,351
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(1,260)	196
Interest expense	557	-
Interest income	(4,433)	(3,994)
Total adjustments to reconcile profit (loss)	15,965	6,884
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(55,208)	56,612
Decrease (increase) in notes receivable	1,421	(1,560)
Decrease (increase) in accounts receivable	(149,718)	6,116
Decrease (increase) in accounts receivable due from related parties	(986)	17,492
Decrease (increase) in other receivable	(730)	(263)
Decrease (increase) in inventories	(32,503)	23,643
Decrease (increase) in prepayments	(3,546)	1,591
Decrease (increase) in other financial assets	-	5,000
Total changes in operating assets	(241,270)	108,631
Changes in operating liabilities :		
Increase (decrease) in accounts payable	15,414	(50,019)
Increase (decrease) in other payable	54,514	(19,723)
Increase (decrease) in provisions	473	122
Increase (decrease) in other current liabilities	(1,025)	(1,314)
Total changes in operating liabilities	69,376	(70,934)
Total changes in operating assets and liabilities	(171,894)	37,697
Total adjustments	(155,929)	44,581
Cash inflow (outflow) generated from operations	103,788	88,842
Interest received	4,497	4,240
Income taxes refund (paid)	(18,005)	(7,160)
Net cash flows from operating activities	90,280	85,922
Cash flows from investing activities :		
Acquisition of property, plant and equipment	(2,046)	(1,858)
Decrease in refundable deposits	589	2
Increase in other non-current assets	(10,987)	(5,473)
Net cash flows from investing activities	(12,444)	(7,329)
Effect of exchange rate changes on cash and cash equivalents	396	14
Net increase (decrease) in cash and cash equivalents	78,232	78,607
Cash and cash equivalents at beginning of period	750,297	714,629
Cash and cash equivalents at end of period	\$ 828,529	793,236