

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As of December 31, 2013, December 31, 2012, and January 1, 2012
(In Thousands of New Taiwan Dollars)

	31.12.2013		31.12.2012		01.01.2012			31.12.2013		31.12.2012		01.01.2012	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
Assets							Liabilities and equity						
Current assets :							Current liabilities :						
Cash and cash equivalents	\$ 1,092,513	61	750,297	61	714,629	56	Current financial liabilities at fair value through profit or loss	\$ 766	-	-	-	-	-
Current financial assets at fair value through profit or loss	206,640	12	88,229	7	198,535	15	Notes payable	64	-	64	-	64	-
Notes receivable, net	60	-	2,529	-	1,991	-	Accounts payable	85,374	5	74,334	6	103,121	8
Accounts receivable, net	192,990	11	110,082	9	78,735	6	Other payables	170,640	10	70,809	5	102,000	8
Accounts receivable due from related parties, net	13,356	1	6,222	1	23,019	2	Current tax liabilities	85,027	5	44,098	4	33,016	3
Other receivables	2,761	-	1,386	-	1,230	-	Current provisions for employee benefits	2,764	-	2,221	-	2,531	-
Inventories	88,859	5	101,749	8	138,464	11	Other current liabilities	5,908	-	7,898	1	6,311	-
Prepayments	24,463	1	6,201	1	8,784	1	Total current liabilities	350,543	20	199,424	16	247,043	19
Other current financial assets	1,083	-	1,070	-	6,057	-	Non-current liabilities :						
Total current assets	1,622,725	91	1,067,765	87	1,171,444	91	Non-current financial liabilities at fair value through profit or loss	-	-	418	-	-	-
Non-current assets :							Bonds payable	89,281	5	89,068	7	-	-
Non-current financial assets at fair value through profit or loss	234	-	50,040	4	-	-	Total non-current liabilities	89,281	5	89,486	7	-	-
Non-current held-to-maturity financial assets, net	100,000	6	50,000	4	50,000	4	Total liabilities	439,824	25	288,910	23	247,043	19
Property, plant and equipment	5,720	-	6,122	-	4,315	-	Equity attributable to owners of parent :						
Intangible assets	16,507	1	-	-	-	-	Ordinary share	523,340	29	482,341	39	472,883	37
Deferred tax assets	14,216	1	32,478	3	26,510	3	Capital surplus :						
Guarantee deposits paid	5,067	-	4,717	-	4,762	-	Capital surplus, additional paid-in capital arising from ordinary share	175,079	10	216,078	18	225,536	18
Non-current prepaid pension cost	385	-	424	-	736	-	Capital surplus, net assets from merger	39,842	2	39,842	3	39,842	3
Other non-current assets, others	19,713	1	21,887	2	25,140	2	Capital surplus, share options	514	-	514	-	-	-
Total non-current assets	161,842	9	165,668	13	111,463	9		215,435	12	256,434	21	265,378	21
							Retained earnings :						
							Legal reserve	99,318	6	88,086	7	64,528	5
							Special reserve	1,985	-	1,550	-	1,713	-
							Unappropriated retained earnings (accumulated deficit)	434,287	24	118,097	10	232,912	18
								535,590	30	207,733	17	299,153	23
							Other equity interest :						
							Exchange differences on translation of foreign financial statements	(471)	-	(1,985)	-	(1,550)	-
							Total equity attributable to owners of parent	1,273,894	71	944,523	77	1,035,864	81
							Non-controlling interests	70,849	4	-	-	-	-
							Total equity	1,344,743	75	944,523	77	1,035,864	81
Total Assets	\$ 1,784,567	100	1,233,433	100	1,282,907	100	Total liabilities and equity	\$ 1,784,567	100	1,233,433	100	1,282,907	100

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Twelve Months ended December 31, 2013 and 2012
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2013		2012	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Sales revenue	\$ 1,541,745	100	716,286	101
Less : Sales returns	4,935	-	8,049	1
Sales discounts and allowances	2,266	-	63	-
Operating revenue	<u>1,534,544</u>	<u>100</u>	<u>708,174</u>	<u>100</u>
Cost of sales	658,657	43	356,909	50
Gross profit (loss) from operations	<u>875,887</u>	<u>57</u>	<u>351,265</u>	<u>50</u>
Operating expenses				
Selling expenses	57,191	4	43,453	6
Administrative expenses	67,319	4	42,640	6
Research and development expenses	247,884	16	154,732	22
Total operating expenses	<u>372,394</u>	<u>24</u>	<u>240,825</u>	<u>34</u>
Net operating income (loss)	<u>503,493</u>	<u>33</u>	<u>110,440</u>	<u>16</u>
Non-operating income and expenses :				
Other income	22,832	1	16,283	2
Other gains and losses, net	6,042	-	(1,478)	-
Finance costs, net	(1,113)	-	-	-
Total non-operating income and expenses	<u>27,761</u>	<u>1</u>	<u>14,805</u>	<u>2</u>
Profit (loss) before tax	531,254	34	125,245	18
Less : Tax expense (income)	82,093	5	12,565	2
Profit (loss)	<u>449,161</u>	<u>29</u>	<u>112,680</u>	<u>16</u>
Other comprehensive income :				
Other comprehensive income, before tax, exchange differences on translation	1,260	-	(435)	-
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	(498)	-	(760)	-
Less : Income tax relating to components of other comprehensive income	-	-	-	-
Other comprehensive income, net	<u>762</u>	<u>-</u>	<u>(1,195)</u>	<u>-</u>
Comprehensive income	<u>\$ 449,923</u>	<u>29</u>	<u>111,485</u>	<u>16</u>
Profit (loss), attributable to :				
Profit (loss), attributable to owners of parent	\$ 451,118	29	112,680	16
Profit (loss), attributable to non-controlling interests	(1,957)	-	-	-
	<u>\$ 449,161</u>	<u>29</u>	<u>112,680</u>	<u>16</u>
Comprehensive income attributable to :				
Comprehensive income, attributable to owners of parent	\$ 450,952	29	111,485	16
Comprehensive income, attributable to non-controlling interests	(1,029)	-	-	-
	<u>\$ 449,923</u>	<u>29</u>	<u>111,485</u>	<u>16</u>
Earnings per share(NT Dollars) :				
Basic earnings per share	\$	8.62	\$	2.15
Diluted earnings per share	\$	8.15	\$	2.13

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Twelve Months Ended December 31, 2013 and 2012
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Share capital		Retained earnings			Other equity interest			
	Ordinary share	Capital surplus	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	-	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)	-	(203,340)
Reversal of special reserve	-	-	-	(163)	163	-	-	-	-
Stock dividends from capital surplus	9,458	(9,458)	-	-	-	-	-	-	-
Due to recognition of equity component of convertible bonds (preference share) issued	-	514	-	-	-	-	514	-	514
Profit for current period	-	-	-	-	112,680	-	112,680	-	112,680
Other comprehensive income for current period	-	-	-	-	(760)	(435)	(1,195)	-	(1,195)
Total comprehensive income	-	-	-	-	111,920	(435)	111,485	-	111,485
Ending Balance, December 31, 2012	482,341	256,434	88,086	1,550	118,097	(1,985)	944,523	-	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)	-	(103,703)
Stock dividends from capital surplus	40,999	(40,999)	-	-	-	-	-	-	-
Profit for current period	-	-	-	-	451,118	-	451,118	(1,957)	449,161
Other comprehensive income for current period	-	-	-	-	(498)	332	(166)	928	762
Total comprehensive income	-	-	-	-	450,620	332	450,952	(1,029)	449,923
Changes in non-controlling interests	-	-	-	-	(19,060)	1,182	(17,878)	71,878	54,000
Ending Balance, December 31, 2013	523,340	215,435	99,318	1,985	434,287	(471)	1,273,894	70,849	1,344,743

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW
For the Twelve Months ended December 31, 2013 and 2012
(In Thousands of New Taiwan Dollars)

	2013	2012
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 531,254	125,245
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	3,476	2,831
Amortization expense	32,376	19,893
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	137	51
Interest expense	1,113	-
Interest income	(9,746)	(7,262)
Loss (gain) on disposal of property, plan and equipment	-	(95)
Total adjustments to reconcile profit (loss)	<u>27,356</u>	<u>15,418</u>
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(68,394)	60,215
Decrease (increase) in notes receivable	2,469	(538)
Decrease (increase) in accounts receivable	(82,762)	(31,347)
Decrease (increase) in accounts receivable due from related parties	(6,831)	16,797
Decrease (increase) in other receivable	(666)	(313)
Decrease (increase) in inventories	19,914	36,715
Decrease (increase) in prepayments	(11,953)	2,135
Decrease (increase) in other financial assets	(13)	4,987
Total changes in operating assets	<u>(148,236)</u>	<u>88,651</u>
Changes in operating liabilities :		
Increase (decrease) in accounts payable	8,297	(28,787)
Increase (decrease) in other payable	96,818	(29,630)
Increase (decrease) in provisions	543	(310)
Increase (decrease) in other current liabilities	(1,990)	1,587
Total changes in operating liabilities	<u>103,668</u>	<u>(57,140)</u>
Total changes in operating assets and liabilities	<u>(44,568)</u>	<u>31,511</u>
Total adjustments	<u>(17,212)</u>	<u>46,929</u>
Cash inflow (outflow) generated from operations	514,042	172,174
Interest received	9,408	7,419
Interest paid	(900)	-
Income taxes refund (paid)	(19,804)	(7,451)
Net cash flows from operating activities	<u>502,746</u>	<u>172,142</u>
Cash flows from investing activities :		
Acquisition of held-to-maturity financial assets	(50,000)	-
Proceeds from disposal of property, plant and equipment	-	100
Acquisition of property, plant and equipment	(3,052)	(4,638)
Decrease (Increase) in refundable deposits	(350)	45
Net cash inflows from business combination	23,922	-
Increase in other non-current assets	(28,543)	(18,206)
Net cash flows from investing activities	<u>(58,023)</u>	<u>(22,699)</u>
Cash flows from financing activities :		
Proceeds from issuing bonds	-	90,000
Cash dividends paid	(103,703)	(203,340)
Net cash flows from financing activities	<u>(103,703)</u>	<u>(113,340)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,196</u>	<u>(435)</u>
Net increase (decrease) in cash and cash equivalents	342,216	35,668
Cash and cash equivalents at beginning of period	750,297	714,629
Cash and cash equivalents at end of period	<u>\$ 1,092,513</u>	<u>750,297</u>