

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As of December 31, 2014, and December 31, 2013
(In Thousands of New Taiwan Dollars)

	December 31, 2014		December 31, 2013			December 31, 2014		December 31, 2013	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and equity				
Current assets :					Current liabilities :				
Cash and cash equivalents	\$ 795,082	52	1,092,513	61	Current financial liabilities at fair value through profit or loss	\$ 330	-	766	-
Current financial assets at fair value through profit or loss	185,685	12	206,640	12	Notes payable	41	-	64	-
Notes receivable, net	1,135	-	60	-	Accounts payable	72,446	5	85,374	5
Accounts receivable, net	89,916	6	192,990	11	Other payables	141,509	9	170,640	10
Accounts receivable due from related parties, net	28,291	2	13,356	1	Current tax liabilities	7,289	-	85,027	5
Other receivables	2,716	-	2,761	-	Current provisions for employee benefits	3,096	-	2,764	-
Inventories	181,307	12	88,859	5	Bonds payable, current portion	89,498	6	-	-
Prepayments	8,989	-	24,463	1	Other current liabilities	7,735	1	5,908	-
Other current financial assets	1,096	-	1,083	-	Total current liabilities	321,944	21	350,543	20
Total current assets	1,294,217	84	1,622,725	91	Non-current liabilities :				
Non-current assets :					Bonds payable	-	-	89,281	5
Non-current financial assets at fair value through profit or loss	98,866	7	234	-	Deferred tax liabilities	677	-	-	-
Non-current held-to-maturity financial assets, net	100,000	7	100,000	6	Accrued pension liabilities	175	-	-	-
Property, plant and equipment	5,560	-	5,720	-	Total non-current liabilities	852	-	89,281	5
Intangible assets	4,438	-	16,507	1	Total liabilities	322,796	21	439,824	25
Deferred tax assets	9,828	1	14,216	1	Equity attributable to owners of parent :				
Guarantee deposits paid	4,633	-	5,067	-	Ordinary share	533,807	35	523,340	29
Non-current prepaid pension cost	-	-	385	-	Capital surplus :				
Other non-current assets, others	21,646	1	19,713	1	Capital surplus, additional paid-in capital arising from ordinary share	164,612	11	175,079	10
Total non-current assets	244,971	16	161,842	9	Capital surplus, net assets from merger	39,842	2	39,842	2
					Capital surplus, share options	514	-	514	-
						204,968	13	215,435	12
					Retained earnings :				
					Legal reserve	142,898	10	99,318	6
					Special reserve	471	-	1,985	-
					Unappropriated retained earnings (accumulated deficit)	264,570	17	434,287	24
						407,939	27	535,590	30
					Other equity interest :				
					Exchange differences on translation of foreign financial statements	801	-	(471)	-
					Total equity attributable to owners of parent	1,147,515	75	1,273,894	71
					Non-controlling interests	68,877	4	70,849	4
					Total equity	1,216,392	79	1,344,743	75
Total Assets	\$ 1,539,188	100	1,784,567	100	Total liabilities and equity	\$ 1,539,188	100	1,784,567	100

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years ended December 31, 2014 and 2013
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2014		2013	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Sales revenue	\$ 1,014,743	100	1,541,745	100
Less : Sales returns	2,486	-	4,935	-
Sales discounts and allowances	1,289	-	2,266	-
Operating revenue	<u>1,010,968</u>	<u>100</u>	<u>1,534,544</u>	<u>100</u>
Cost of sales	393,624	39	658,657	43
Gross profit (loss) from operations	<u>617,344</u>	<u>61</u>	<u>875,887</u>	<u>57</u>
Operating expenses				
Selling expenses	61,715	6	57,191	4
Administrative expenses	65,590	6	67,319	4
Research and development expenses	241,150	24	247,884	16
Total operating expenses	<u>368,455</u>	<u>36</u>	<u>372,394</u>	<u>24</u>
Net operating income (loss)	<u>248,889</u>	<u>25</u>	<u>503,493</u>	<u>33</u>
Non-operating income and expenses :				
Other income	19,636	2	22,832	1
Other gains and losses, net	3,549	-	6,042	-
Finance costs, net	(1,116)	-	(1,113)	-
Total non-operating income and expenses	<u>22,069</u>	<u>2</u>	<u>27,761</u>	<u>1</u>
Profit (loss) before tax	<u>270,958</u>	<u>27</u>	<u>531,254</u>	<u>34</u>
Less : Tax expense (income)	33,911	3	82,093	5
Profit (loss)	<u>237,047</u>	<u>24</u>	<u>449,161</u>	<u>29</u>
Other comprehensive income :				
Other comprehensive income, before tax, exchange differences on translation	1,959	-	1,260	-
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	(1,019)	-	(498)	-
Less : Income tax relating to components of other comprehensive income	-	-	-	-
Other comprehensive income, net	<u>940</u>	<u>-</u>	<u>762</u>	<u>-</u>
Comprehensive income	<u>\$ 237,987</u>	<u>24</u>	<u>449,923</u>	<u>29</u>
Profit (loss), attributable to :				
Profit (loss), attributable to owners of parent	\$ 239,706	24	451,118	29
Profit (loss), attributable to non-controlling interests	(2,659)	-	(1,957)	-
	<u>\$ 237,047</u>	<u>24</u>	<u>449,161</u>	<u>29</u>
Comprehensive income attributable to :				
Comprehensive income, attributable to owners of parent	\$ 239,959	24	450,952	29
Comprehensive income, attributable to non-controlling interests	(1,972)	-	(1,029)	-
	<u>\$ 237,987</u>	<u>24</u>	<u>449,923</u>	<u>29</u>
Earnings per share(NT Dollars) :				
Basic earnings per share	<u>\$ 4.49</u>		<u>8.45</u>	
Diluted earnings per share	<u>\$ 4.24</u>		<u>7.99</u>	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Years ended December 31, 2014 and 2013
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								Non-controlling interests	Total equity
	Share capital		Retained earnings			Other equity interest		Total equity attributable to owners of parent		
	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, 2013	\$ 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	
Appropriation and distribution of retained earnings :										
Legal reserve appropriated	-	-	43,580	-	(43,580)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(366,338)	-	(366,338)	-	(366,338)	
Reversal of special reserve	-	-	-	(1,514)	1,514	-	-	-	-	
Stock dividends from capital surplus	10,467	(10,467)	-	-	-	-	-	-	-	
Profit for current period	-	-	-	-	239,706	-	239,706	(2,659)	237,047	
Other comprehensive income for current period	-	-	-	-	(1,019)	1,272	253	687	940	
Total comprehensive income	-	-	-	-	238,687	1,272	239,959	(1,972)	237,987	
Ending Balance, December 31, 2014	\$ 533,807	204,968	142,898	471	264,570	801	1,147,515	68,877	1,216,392	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW
For the Years ended December 31, 2014 and 2013
(In Thousands of New Taiwan Dollars)

	2014	2013
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 270,958	\$ 531,254
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	3,231	3,476
Amortization expense	30,642	32,376
Provision (reversal of provision) for bad debt expense	11,565	-
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(965)	137
Interest expense	1,116	1,113
Interest income	(10,701)	(9,746)
Loss (gain) on disposal of investments	(9)	-
Impairment loss on non-financial assets	5,217	-
Other income	(653)	-
Total adjustments to reconcile profit (loss)	<u>39,443</u>	<u>27,356</u>
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(77,139)	(68,394)
Decrease (increase) in notes receivable	(1,075)	2,469
Decrease (increase) in accounts receivable	91,498	(82,762)
Decrease (increase) in accounts receivable due from related parties	(14,935)	(6,831)
Decrease (increase) in other receivable	1,284	(666)
Decrease (increase) in inventories	(92,293)	19,914
Decrease (increase) in prepayments	14,860	(11,953)
Decrease (increase) in other financial assets	(13)	(13)
Total changes in operating assets	<u>(77,813)</u>	<u>(148,236)</u>
Changes in operating liabilities :		
Increase (decrease) in notes payable	(23)	-
Increase (decrease) in accounts payable	(12,928)	8,297
Increase (decrease) in other payable	(35,043)	96,818
Increase (decrease) in provisions	332	543
Increase (decrease) in other current liabilities	1,827	(1,990)
Increase (decrease) in accrued pension liabilities	175	-
Total changes in operating liabilities	<u>(45,660)</u>	<u>103,668</u>
Total changes in operating assets and liabilities	<u>(123,473)</u>	<u>(44,568)</u>
Total adjustments	<u>(84,030)</u>	<u>(17,212)</u>
Cash inflow (outflow) generated from operations	186,928	514,042
Interest received	10,651	9,408
Interest paid	(900)	(900)
Income taxes refund (paid)	(107,028)	(19,804)
Net cash flows from operating activities	<u>89,651</u>	<u>502,746</u>
Cash flows from investing activities :		
Acquisition of held-to-maturity financial assets	-	(50,000)
Acquisition of property, plant and equipment	(1,474)	(3,052)
Decrease (Increase) in refundable deposits	434	(350)
Net cash inflows from business combination	746	23,922
Increase in other non-current assets	(22,077)	(28,543)
Net cash flows from investing activities	<u>(22,371)</u>	<u>(58,023)</u>
Cash flows from financing activities :		
Cash dividends paid	(366,338)	(103,703)
Net cash flows from financing activities	<u>(366,338)</u>	<u>(103,703)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,627</u>	<u>1,196</u>
Net increase (decrease) in cash and cash equivalents	<u>(297,431)</u>	<u>342,216</u>
Cash and cash equivalents at beginning of period	<u>1,092,513</u>	<u>750,297</u>
Cash and cash equivalents at end of period	<u>\$ 795,082</u>	<u>\$ 1,092,513</u>