

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
As of June 30, 2015, December 31, 2014 and June 30, 2014
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	June 30,2015		December 31,2014		June 30,2014	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets :						
Cash and cash equivalents	\$ 950,501	56	795,082	52	\$ 1,236,351	66
Current financial assets at fair value through profit or loss	194,767	12	185,685	12	162,371	9
Current held-to-maturity financial assets, net	50,000	3	-	-	-	-
Notes receivable, net	2,519	-	1,135	-	64	-
Accounts receivable, net	117,964	7	89,916	6	106,345	6
Accounts receivable due from related parties, net	17,708	1	28,291	2	28,609	1
Other receivables	1,850	-	2,716	-	2,969	-
Inventories	145,567	9	181,307	12	133,006	7
Prepayments	11,561	1	8,989	-	16,119	1
Other current financial assets	1,096	-	1,096	-	1,083	-
Total current assets	1,493,533	89	1,294,217	84	1,686,917	90
Non-current assets :						
Non-current financial assets at fair value through profit or loss	98,829	6	98,866	7	35,355	2
Non-current held-to-maturity financial assets, net	50,000	3	100,000	7	100,000	5
Property, plant and equipment	4,316	-	5,560	-	4,658	-
Intangible assets	715	-	4,438	-	12,989	1
Deferred tax assets	9,732	1	9,828	1	13,485	1
Guarantee deposits paid	4,553	-	4,633	-	4,630	-
Non-current prepaid pension cost	79	-	-	-	649	-
Other non-current assets, others	20,864	1	21,646	1	18,887	1
Total non-current assets	189,088	11	244,971	16	190,653	10
Total Assets	\$ 1,682,621	100	1,539,188	100	1,877,570	100

	June 30,2015		December 31,2014		June 30,2014	
	Amount	%	Amount	%	Amount	%
Liabilities and equity						
Current liabilities :						
Current financial liabilities at fair value through profit or loss	\$ 122	-	330	-	\$ -	-
Notes payable	1,330	-	41	-	2,297	-
Accounts payable	80,650	5	72,446	5	105,072	6
Dividends payable	229,537	14	-	-	366,338	20
Other payables	147,700	9	141,509	9	178,600	9
Current tax liabilities	17,211	1	7,289	-	19,671	1
Current provisions for employee benefits	3,445	-	3,096	-	3,293	-
Bonds payable, current portion	89,607	5	89,498	6	-	-
Other current liabilities	6,914	-	7,735	1	5,779	-
Total current liabilities	576,516	34	321,944	21	681,050	36
Non-current liabilities :						
Non-current financial liabilities at fair value through profit or loss	-	-	-	-	135	-
Bonds payable	-	-	-	-	89,390	5
Deferred tax liabilities	180	-	677	-	-	-
Net defined benefit liabilities	-	-	175	-	-	-
Total non-current liabilities	180	-	852	-	89,525	5
Total liabilities	576,696	34	322,796	21	770,575	41
Equity attributable to owners of parent :						
Ordinary share	533,807	32	533,807	35	523,340	28
Stock dividend to be distributed	16,014	1	-	-	10,467	-
	549,821	33	533,807	35	533,807	28
Capital surplus :						
Capital surplus, additional paid-in capital arising from ordinary share	148,598	9	164,612	11	164,612	9
Capital surplus, net assets from merger	39,842	2	39,842	2	39,842	2
Capital surplus, share options	514	-	514	-	514	-
	188,954	11	204,968	13	204,968	11
Retained earnings :						
Legal reserve	166,869	10	142,898	10	142,898	8
Special reserve	-	-	471	-	471	-
Unappropriated retained earnings (accumulated deficit)	135,750	8	264,570	17	155,484	8
	302,619	18	407,939	27	298,853	16
Other equity interest :						
Exchange differences on translation of foreign financial statements	257	-	801	-	(557)	-
Total equity attributable to owners of parent	1,041,651	62	1,147,515	75	1,037,071	55
Non-controlling interests	64,274	4	68,877	4	69,924	4
Total equity	1,105,925	66	1,216,392	79	1,106,995	59
Total liabilities and equity	\$ 1,682,621	100	1,539,188	100	1,877,570	100

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended June 30, 2015 and 2014
For the six months ended June 30, 2015 and 2014
(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			
	2015		2014		2015		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Sales revenue	\$ 301,190	100	263,948	100	529,000	100	527,024	100
Less : Sales returns	-	-	-	-	1,819	-	33	-
Sales discounts and allowances	29	-	369	-	59	-	1,212	-
Operating revenue	<u>301,161</u>	<u>100</u>	<u>263,579</u>	<u>100</u>	<u>527,122</u>	<u>100</u>	<u>525,779</u>	<u>100</u>
Cost of sales	<u>128,947</u>	<u>43</u>	<u>103,578</u>	<u>39</u>	<u>221,053</u>	<u>42</u>	<u>199,819</u>	<u>38</u>
Gross profit (loss) from operations	<u>172,214</u>	<u>57</u>	<u>160,001</u>	<u>61</u>	<u>306,069</u>	<u>58</u>	<u>325,960</u>	<u>62</u>
Operating expenses								
Selling expenses	12,134	4	14,762	6	23,280	5	35,332	7
Administrative expenses	16,538	6	15,576	6	32,488	6	32,338	6
Research and development expenses	61,041	20	63,251	24	117,096	22	122,921	23
Total operating expenses	<u>89,713</u>	<u>30</u>	<u>93,589</u>	<u>36</u>	<u>172,864</u>	<u>33</u>	<u>190,591</u>	<u>36</u>
Net operating income (loss)	<u>82,501</u>	<u>27</u>	<u>66,412</u>	<u>25</u>	<u>133,205</u>	<u>25</u>	<u>135,369</u>	<u>26</u>
Non-operating income and expenses :								
Other income	3,020	1	6,150	2	6,483	1	10,274	2
Other gains and losses, net	(1,333)	-	(2,916)	(1)	(2,107)	-	1,142	-
Finance costs, net	(279)	-	(279)	-	(559)	-	(558)	-
Total non-operating income and expenses	<u>1,408</u>	<u>1</u>	<u>2,955</u>	<u>1</u>	<u>3,817</u>	<u>1</u>	<u>10,858</u>	<u>2</u>
Profit (loss) before tax	<u>83,909</u>	<u>28</u>	<u>69,367</u>	<u>26</u>	<u>137,022</u>	<u>26</u>	<u>146,227</u>	<u>28</u>
Less : Tax expense (income)	<u>10,551</u>	<u>4</u>	<u>7,872</u>	<u>3</u>	<u>17,114</u>	<u>3</u>	<u>17,504</u>	<u>3</u>
Profit (loss)	<u>73,358</u>	<u>24</u>	<u>61,495</u>	<u>23</u>	<u>119,908</u>	<u>23</u>	<u>128,723</u>	<u>25</u>
Items that may be reclassified subsequently to profit or loss :								
Other comprehensive income, before tax, exchange differences on translation	(463)	-	(673)	-	(838)	-	(133)	-
Less : Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
Items that may be reclassified subsequently to profit or loss	<u>(463)</u>	<u>-</u>	<u>(673)</u>	<u>-</u>	<u>(838)</u>	<u>-</u>	<u>(133)</u>	<u>-</u>
Other comprehensive income, net	<u>(463)</u>	<u>-</u>	<u>(673)</u>	<u>-</u>	<u>(838)</u>	<u>-</u>	<u>(133)</u>	<u>-</u>
Comprehensive income	<u>\$ 72,895</u>	<u>24</u>	<u>60,822</u>	<u>23</u>	<u>119,070</u>	<u>23</u>	<u>128,590</u>	<u>25</u>
Profit (loss), attributable to :								
Profit (loss), attributable to owners of parent	\$ 76,103	25	60,891	23	124,217	23	129,601	25
Profit (loss), attributable to non-controlling interests	(2,745)	(1)	604	-	(4,309)	-	(878)	-
	<u>\$ 73,358</u>	<u>24</u>	<u>61,495</u>	<u>23</u>	<u>119,908</u>	<u>23</u>	<u>128,723</u>	<u>25</u>
Comprehensive income attributable to :								
Comprehensive income, attributable to owners of parent	\$ 75,802	25	60,454	23	123,673	23	129,515	25
Comprehensive income, attributable to non-controlling interests	(2,907)	(1)	368	-	(4,603)	-	(925)	-
	<u>\$ 72,895</u>	<u>24</u>	<u>60,822</u>	<u>23</u>	<u>119,070</u>	<u>23</u>	<u>128,590</u>	<u>25</u>
Earnings per share(NT Dollars) :								
Basic earnings per share	<u>\$ 1.43</u>		<u>1.14</u>		<u>2.33</u>		<u>2.43</u>	
Diluted earnings per share	<u>\$ 1.35</u>		<u>1.09</u>		<u>2.20</u>		<u>2.30</u>	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the six months ended June 30, 2015 and 2014
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity attributable to owners of parent									Non-controlling interests	Total equity
	Share capital		Capital surplus	Retained earnings			Other equity interest		Total equity attributable to owners of parent		
	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, 2014	\$ 523,340	-	215,435	99,318	1,985	434,287	(471)	1,273,894	70,849	1,344,743	
Profit for current period	-	-	-	-	-	129,601	-	129,601	(878)	128,723	
Other comprehensive income for current period	-	-	-	-	-	-	(86)	(86)	(47)	(133)	
Total comprehensive income	-	-	-	-	-	129,601	(86)	129,515	(925)	128,590	
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)	-	-	-	-	-	-	-	
Ending Balance, June 30, 2014	\$ 523,340	10,467	204,968	142,898	471	155,484	(557)	1,037,071	69,924	1,106,995	
Beginning balance, January 1, 2015	\$ 533,807	-	204,968	142,898	471	264,570	801	1,147,515	68,877	1,216,392	
Profit for current period	-	-	-	-	-	124,217	-	124,217	(4,309)	119,908	
Other comprehensive income for current period	-	-	-	-	-	-	(544)	(544)	(294)	(838)	
Total comprehensive income	-	-	-	-	-	124,217	(544)	123,673	(4,603)	119,070	
Appropriation and distribution of retained earnings :											
Legal reserve appropriated	-	-	-	23,971	-	(23,971)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	-	(229,537)	-	(229,537)	-	(229,537)	
Reversal of special reserve	-	-	-	-	(471)	471	-	-	-	-	
Stock dividends from capital surplus	-	16,014	(16,014)	-	-	-	-	-	-	-	
Ending Balance, June 30, 2015	\$ 533,807	16,014	188,954	166,869	-	135,750	257	1,041,651	64,274	1,105,925	

eGalax_eMPIA Technology Inc. and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW
For the six months ended June 30, 2015 and 2014
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	2015	2014
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 137,022	\$ 146,227
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	1,432	1,697
Amortization expense	13,359	17,008
Provision (reversal of provision) for bad debt expense	(109)	-
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(556)	(654)
Interest expense	559	558
Interest income	(4,456)	(5,721)
Loss (gain) on disposal of investments	(50)	-
Total adjustments to reconcile profit (loss)	<u>10,179</u>	<u>12,888</u>
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(8,648)	9,171
Decrease (increase) in notes receivable	(1,384)	(4)
Decrease (increase) in accounts receivable	(27,935)	86,645
Decrease (increase) in accounts receivable due from related parties	10,583	(15,253)
Decrease (increase) in other receivable	791	(312)
Decrease (increase) in inventories	35,740	(44,147)
Decrease (increase) in prepayments	(2,572)	8,080
Decrease (increase) in other operating assets	(79)	-
Total changes in operating assets	<u>6,496</u>	<u>44,180</u>
Changes in operating liabilities :		
Increase (decrease) in notes payable	1,289	2,233
Increase (decrease) in accounts payable	8,204	19,698
Increase (decrease) in other payable	8,226	6,954
Increase (decrease) in provisions	349	529
Increase (decrease) in other current liabilities	(821)	(129)
Increase (decrease) in net defined benefit liabilities	(175)	-
Total changes in operating liabilities	<u>17,072</u>	<u>29,285</u>
Total changes in operating assets and liabilities	<u>23,568</u>	<u>73,465</u>
Total adjustments	<u>33,747</u>	<u>86,353</u>
Cash inflow (outflow) generated from operations	170,769	232,580
Interest received	4,527	5,825
Income taxes refund (paid)	(7,593)	(82,129)
Net cash flows from operating activities	<u>167,703</u>	<u>156,276</u>
Cash flows from investing activities :		
Acquisition of property, plant and equipment	(1,679)	(636)
Decrease in refundable deposits	80	437
Increase in other non-current assets	(9,937)	(12,055)
Net cash flows from investing activities	<u>(11,536)</u>	<u>(12,254)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(748)</u>	<u>(184)</u>
Net increase (decrease) in cash and cash equivalents	155,419	143,838
Cash and cash equivalents at beginning of period	795,082	1,092,513
Cash and cash equivalents at end of period	<u>\$ 950,501</u>	<u>\$ 1,236,351</u>