

eGalax_eMPIA Technology Inc.
BALANCE SHEET
As of December 31, 2015, and December 31, 2014
(In Thousands of New Taiwan Dollars)

	December 31,2015		December 31,2014			December 31,2015		December 31,2014	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and equity				
Current assets :					Current liabilities :				
Cash and cash equivalents	\$ 694,413	48	670,583	47	Current financial liabilities at fair value through profit or loss	\$ 373	-	330	-
Current financial assets at fair value through profit or loss	203,970	14	164,443	11	Notes payable	418	-	41	-
Current held-to-maturity financial assets, net	100,000	7	-	-	Accounts payable	62,442	5	65,298	5
Notes receivable, net	1,648	-	1,135	-	Other payables	118,038	8	121,878	8
Accounts receivable, net	101,954	7	83,313	6	Current tax liabilities	16,041	1	7,289	1
Accounts receivable due from related parties, net	19,451	2	26,811	2	Current provisions for employee benefits	3,630	-	3,096	-
Other receivables	938	-	1,034	-	Bonds payable, current portion	89,717	7	89,498	6
Inventories	129,898	9	160,890	11	Other current liabilities	2,910	-	4,605	-
Prepayments	2,894	-	2,325	-	Total current liabilities	293,569	21	292,035	20
Other current financial assets	1,109	-	1,096	-	Non-current liabilities :				
Total current assets	1,256,275	87	1,111,630	77	Deferred tax liabilities	583	-	578	-
Non-current assets :					Net defined benefit liabilities	1,735	-	175	-
Non-current financial assets at fair value through profit or loss	40,032	3	69,944	5	Total non-current liabilities	2,318	-	753	-
Non-current held-to-maturity financial assets, net	-	-	100,000	7	Total liabilities	295,887	21	292,788	20
Investments accounted for using equity method	119,952	8	127,550	9	Equity :				
Property, plant and equipment	4,002	-	4,045	-	Ordinary share	549,821	38	533,807	37
Deferred tax assets	5,614	1	7,885	1	Capital surplus :				
Guarantee deposits paid	3,813	-	3,131	-	Capital surplus, additional paid-in capital arising from ordinary share	148,598	10	164,612	11
Other non-current assets, others	8,313	1	16,118	1	Capital surplus, net assets from merger	39,842	3	39,842	3
Total non-current assets	181,726	13	328,673	23	Capital surplus, share options	514	-	514	-
						188,954	13	204,968	14
					Retained earnings :				
					Legal reserve	166,869	12	142,898	10
					Special reserve	-	-	471	-
					Unappropriated retained earnings (accumulated deficit)	235,136	16	264,570	19
						402,005	28	407,939	29
					Other equity interest :				
					Exchange differences on translation of foreign operations	1,334	-	801	-
					Total equity	1,142,114	79	1,147,515	80
Total Assets	\$ 1,438,001	100	\$ 1,440,303	100	Total liabilities and equity	\$ 1,438,001	100	\$ 1,440,303	100

eGalax_eMPIA Technology Inc.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years ended December 31, 2015 and 2014
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2015		2014	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Sales revenue	\$ 904,411	101	873,534	100
Less : Sales returns	7,859	1	2,486	-
Sales discounts and allowances	798	-	1,286	-
Operating revenue	<u>895,754</u>	<u>100</u>	<u>869,762</u>	<u>100</u>
Cost of sales	<u>387,337</u>	<u>43</u>	<u>334,625</u>	<u>38</u>
Gross profit (loss) from operations	<u>508,417</u>	<u>57</u>	<u>535,137</u>	<u>62</u>
Operating expenses				
Selling expenses	38,127	4	50,829	6
Administrative expenses	38,574	5	43,265	5
Research and development expenses	<u>181,559</u>	<u>20</u>	<u>185,378</u>	<u>21</u>
Total operating expenses	<u>258,260</u>	<u>29</u>	<u>279,472</u>	<u>32</u>
Net operating income (loss)	<u>250,157</u>	<u>28</u>	<u>255,665</u>	<u>30</u>
Non-operating income and expenses :				
Other income	9,884	1	15,502	2
Other gains and losses, net	7,285	1	7,637	1
Finance costs, net	(1,119)	-	(1,116)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	<u>(8,131)</u>	<u>(1)</u>	<u>(4,924)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>7,919</u>	<u>1</u>	<u>17,099</u>	<u>2</u>
Profit (loss) before tax	<u>258,076</u>	<u>29</u>	<u>272,764</u>	<u>32</u>
Less : Tax expense (income)	<u>32,475</u>	<u>4</u>	<u>33,058</u>	<u>4</u>
Profit (loss)	<u>225,601</u>	<u>25</u>	<u>239,706</u>	<u>28</u>
Other comprehensive income (loss) :				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	(1,998)	-	(1,019)	-
Income tax related to items that will not be reclassified subsequently	-	-	-	-
	<u>(1,998)</u>	<u>-</u>	<u>(1,019)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	533	-	1,272	-
Income tax related to items that may be reclassified subsequently	-	-	-	-
	<u>533</u>	<u>-</u>	<u>1,272</u>	<u>-</u>
Other comprehensive income, net	<u>(1,465)</u>	<u>-</u>	<u>253</u>	<u>-</u>
Comprehensive income	<u>\$ 224,136</u>	<u>25</u>	<u>239,959</u>	<u>28</u>
Earnings per share(NT Dollars) :				
Basic earnings per share	<u>\$ 4.10</u>		<u>4.36</u>	
Diluted earnings per share	<u>\$ 3.87</u>		<u>4.12</u>	

eGalax_eMPIA Technology Inc.
STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Years ended December 31, 2015 and 2014
(In Thousands of New Taiwan Dollars)

	Ordinary share	Capital surplus	Retained earnings			Other equity interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign operations	
Beginning balance, January 1, 2014	\$ 523,340	215,435	99,318	1,985	434,287	(471)	1,273,894
Appropriation and distribution of retained earnings (Note 1) :							
Legal reserve appropriated	-	-	43,580	-	(43,580)	-	-
Cash dividends of ordinary share	-	-	-	-	(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
Other comprehensive income for current period	-	-	-	-	(1,019)	1,272	253
Total comprehensive income	-	-	-	-	238,687	1,272	239,959
Ending Balance, December 31, 2014	533,807	204,968	142,898	471	264,570	801	1,147,515
Appropriation and distribution of retained earnings (Note 2) :							
Legal reserve appropriated	-	-	23,971	-	(23,971)	-	-
Cash dividends of ordinary share	-	-	-	-	(229,537)	-	(229,537)
Reversal of special reserve	-	-	-	(471)	471	-	-
Stock dividends from capital surplus	16,014	(16,014)	-	-	-	-	-
Profit for current period	-	-	-	-	225,601	-	225,601
Other comprehensive income for current period	-	-	-	-	(1,998)	533	(1,465)
Total comprehensive income	-	-	-	-	223,603	533	224,136
Ending Balance, December 31, 2015	\$ 549,821	188,954	166,869	-	235,136	1,334	1,142,114

Note 1 : Bonus to directors and supervisors of NT\$11,750 thousand and bonus to employees in cash of NT\$62,674 thousand have been deducted from Statements of comprehensive income of 2013.

Note 2 : Bonus to directors and supervisors of NT\$6,483 thousand and bonus to employees in cash of NT\$34,516 thousand have been deducted from Statements of comprehensive income of 2014.

eGalax_eMPIA Technology Inc.
STATEMENT OF CASH FLOW
For the Years ended December 31, 2015 and 2014
(In Thousands of New Taiwan Dollars)

	2015	2014
Cash flows from operating activities, indirect method :		
Profit (loss) before tax	\$ 258,076	272,764
Adjustments :		
Adjustments to reconcile profit (loss) :		
Depreciation expense	2,043	1,698
Amortization expense	16,298	17,261
Provision (reversal of provision) for bad debt expense	(90)	11,565
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(874)	(697)
Interest expense	1,119	1,116
Interest income	(7,351)	(9,426)
Share of loss (profit) of associates and joint ventures accounted for using equity method	8,131	4,924
Loss (gain) on disposal of investments	(50)	(9)
Total adjustments to reconcile profit (loss)	19,226	26,432
Changes in operating assets and liabilities :		
Changes in operating assets :		
Decrease (increase) in financial assets held for trading	(8,648)	(48,368)
Decrease (increase) in notes receivable	(513)	(1,075)
Decrease (increase) in accounts receivable	(18,544)	89,939
Decrease (increase) in accounts receivable due from related parties	7,360	(17,279)
Decrease (increase) in other receivable	66	1,381
Decrease (increase) in inventories	30,992	(90,304)
Decrease (increase) in prepayments	(569)	11,973
Decrease (increase) in other financial assets	(13)	(13)
Total changes in operating assets	10,131	(53,746)
Changes in operating liabilities :		
Increase (decrease) in notes payable	377	(23)
Increase (decrease) in accounts payable	(2,856)	(10,595)
Increase (decrease) in other payable	770	(29,664)
Increase (decrease) in provisions	534	332
Increase (decrease) in other current liabilities	(1,695)	1,391
Increase (decrease) in net defined benefit liabilities	(438)	175
Total changes in operating liabilities	(3,308)	(38,384)
Total changes in operating assets and liabilities	6,823	(92,130)
Total adjustments	26,049	(65,698)
Cash inflow (outflow) generated from operations	284,125	207,066
Interest received	7,374	9,618
Interest paid	(900)	(900)
Income taxes refund (paid)	(21,447)	(101,762)
Net cash flows from operating activities	269,152	114,022
Cash flows from investing activities :		
Acquisition of property, plant and equipment	(2,742)	(993)
Decrease (Increase) in refundable deposits	(682)	437
Increase in other non-current assets	(12,361)	(16,593)
Net cash flows from investing activities	(15,785)	(17,149)
Cash flows from financing activities :		
Cash dividends paid	(229,537)	(366,338)
Net cash flows from financing activities	(229,537)	(366,338)
Net increase (decrease) in cash and cash equivalents	23,830	(269,465)
Cash and cash equivalents at beginning of period	670,583	940,048
Cash and cash equivalents at end of period	694,413	670,583