

Axiomtek Co., Ltd. And Subsidiaries  
Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)

Item	2013/3/31	2012/12/31	2012/3/31	2012/1/1
<b>Assets</b>				
<b>Current assets</b>				
<b>Cash and cash equivalents</b>				
Total cash and cash equivalents	411,159	428,572	418,522	376,038
<b>Current financial assets at fair value through profit or loss</b>				
Total current financial assets at fair value through profit or loss	30,506	3,001	67,072	19,014
<b>Notes receivable, net</b>				
Notes receivable, net	6,191	15,933	10,989	37,769
<b>Accounts receivable, net</b>				
Accounts receivable, net	456,200	394,556	318,695	333,434
<b>Other receivables</b>				
Other receivables, net	25,170	8,154	15,285	6,795
<b>Inventories</b>				
Total inventories	623,375	537,064	492,386	479,965
<b>Prepayments</b>				
Total prepayments	18,759	38,528	53,695	39,445
<b>Other current assets</b>				
Total other current assets	5,810	5,559	3,662	9,387
<b>Total current assets</b>	<b>1,577,170</b>	<b>1,431,367</b>	<b>1,380,306</b>	<b>1,301,847</b>
<b>Non-current assets</b>				
<b>Non-current financial assets at cost</b>				
Non-current financial assets at cost, net	923	923	923	923
<b>Property, plant and equipment</b>				
Total property, plant and equipment	345,453	344,682	346,608	345,557
<b>Intangible assets</b>				
Total intangible assets	130,271	130,365	87,751	83,635
<b>Deferred tax assets</b>	36,755	40,390	56,340	47,778
<b>Other non-current assets</b>				
Total other non-current assets	10,439	10,716	11,385	12,301
<b>Total non-current assets</b>	<b>523,841</b>	<b>527,076</b>	<b>503,007</b>	<b>490,194</b>
<b>Total assets</b>	<b>2,101,011</b>	<b>1,958,443</b>	<b>1,883,313</b>	<b>1,792,041</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
<b>Short-term borrowings</b>				
Total short-term borrowings	0	1,000	36,000	40,000
<b>Short-term notes and bills payable</b>				
Total short-term notes and bills payable	4,997	19,989	29,992	29,986
<b>Notes payable</b>				
Total notes payable	99	113	3,329	118
<b>Accounts payable</b>				
Total accounts payable	303,198	247,974	254,570	192,850
<b>Accounts payable to related parties</b>				
Total accounts payable to related parties	15,616	3,395	3,151	4,307
<b>Other payables</b>				
Total other payables	223,421	228,652	162,743	176,662
<b>Current tax liabilities</b>	44,959	32,216	25,171	19,282
<b>Other current liabilities</b>				
Total other current liabilities	32,878	32,523	27,375	23,605
<b>Total current liabilities</b>	<b>625,168</b>	<b>565,862</b>	<b>542,331</b>	<b>486,810</b>
<b>Non-current liabilities</b>				
<b>Long-term borrowings</b>				
Total long-term borrowings	55,704	54,238	56,851	58,325
<b>Deferred tax liabilities</b>				
Total deferred tax liabilities	45,518	43,024	39,888	32,545
<b>Other non-current liabilities</b>				
Total other non-current liabilities	41,994	42,250	31,844	31,852
<b>Total non-current liabilities</b>	<b>143,216</b>	<b>139,512</b>	<b>128,583</b>	<b>122,722</b>
<b>Total liabilities</b>	<b>768,384</b>	<b>705,374</b>	<b>670,914</b>	<b>609,532</b>
<b>Equity</b>				
<b>Equity attributable to shareholders of the parent</b>				
<b>Share capital</b>				
Ordinary share	773,430	773,430	773,430	773,430
Total capital stock	773,430	773,430	773,430	773,430
<b>Capital surplus</b>				
Capital surplus, additional paid-in capital				
Total capital surplus, additional paid-in capital	98,369	98,369	130,699	130,699
Capital surplus, treasury share transactions	1,026	1,026	1,026	0
Capital surplus, gain on disposals of property, plant and equipment	2	2	2	2
Capital surplus, employee share options	15,103	14,300	10,051	8,278

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(In Thousands of New Taiwan Dollars)

Item	2013/3/31	2012/12/31	2012/3/31	2012/1/1
Total capital surplus	114,500	113,697	141,778	138,979
<b>Retained earnings</b>				
Legal reserve	213,131	213,131	198,769	198,769
Special reserve	20,418	20,418	0	0
Unappropriated retained earnings (accumulated deficit)				
Total unappropriated retained earnings (accumulated deficit)	187,361	119,666	86,439	70,171
Total retained earnings	420,910	353,215	285,208	268,940
<b>Other equity interest</b>				
Exchange differences on translation of foreign financial statements				
Total exchange differences on translation of foreign financial statements	-2,536	-10,901	-6,549	0
Total other equity interest	-2,536	-10,901	-6,549	0
Treasury shares	0	0	0	17,610
Equity attributable to shareholders of the parent	1,306,304	1,229,441	1,193,867	1,163,739
Noncontrolling interests	26,323	23,628	18,532	18,770
Total equity	1,332,627	1,253,069	1,212,399	1,182,509
Equivalent issue shares of advance receipts for ordinary share	0	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0	797,000

Axiomtek Co., Ltd. And Subsidiaries  
Consolidated Statements of Comprehensive Income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Item	<u>2013/1/1-3/31</u>	<u>2012/1/1-3/31</u>
<b>Operating revenue</b>		
Total operating revenue	809,989	579,260
<b>Operating costs</b>		
Total operating costs	508,797	366,218
<b>Gross profit (loss) from operations</b>	301,192	213,042
<b>Gross profit (loss) from operations</b>	301,192	213,042
<b>Operating expenses</b>		
<b>Selling expenses</b>		
Total selling expenses	121,490	91,706
<b>Administrative expenses</b>		
Total administrative expenses	27,470	26,890
<b>Research and development expenses</b>		
Total research and development expenses	74,130	69,498
<b>Total operating expenses</b>	223,090	188,094
<b>Net operating income (loss)</b>	78,102	24,948
<b>Non-operating income and expenses</b>		
<b>Other income</b>		
Total other income	7,935	4,870
<b>Other gains and losses</b>		
Other gains and losses, net	8,342	-6,286
<b>Finance costs</b>		
Finance costs, net	487	690
<b>Total non-operating income and expenses</b>	15,790	-2,106
<b>Profit (loss) from continuing operations before tax</b>	93,892	22,842
<b>Tax expense (income)</b>		
Total tax expense (income)	23,442	6,592
<b>Profit (loss) from continuing operations</b>	70,450	16,250
<b>Profit (loss)</b>	70,450	16,250
<b>Other comprehensive income</b>		
Exchange differences on translation of foreign financial statements	10,078	-7,890
Income tax relating to components of other comprehensive income	1,713	-1,341
Other comprehensive income, net	8,365	-6,549
<b>Comprehensive income</b>	78,815	9,701
<b>NET INCOME (LOSS) ATTRIBUTABLE TO:</b>		
Shareholders of the parent	67,695	16,268
Noncontrolling interests	2,755	-18
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		
<b>ATTRIBUTABLE TO:</b>		
Shareholders of the parent	76,060	9,719
Noncontrolling interests	2,755	-18
<b>Basic earnings per share</b>		
Total basic earnings per share	0.88	0.21
<b>Diluted earnings per share</b>		
Total diluted earnings per share	0.86	0.21

Axiomtek Co., Ltd. And Subsidiaries  
Consolidated Statements of Changes in Equity

(In Thousands of New Taiwan Dollars)

Item	Ordinary share	Total capital stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Equity Attributable to Shareholders of the Parent	Noncontrolling interests	Total equity
Balance, January 1, 2013	773,430	773,430	113,697	213,131	20,418	119,666	353,215	-10,901	-10,901	1,229,441	23,628	1,253,069
Profit (loss)						67,695	67,695			67,695	2,755	70,450
OTHER COMPREHENSIVE INCOME (LOSS)								8,365	8,365	8,365		8,365
Comprehensive Income						67,695	67,695	8,365	8,365	76,060	2,755	78,815
Share-based payments			803							803		803
Increase (decrease) in noncontrolling interests											-60	-60
Total Increase (decrease) in equity	0	0	803	0	0	67,695	67,695	8,365	8,365	76,863	2,695	79,558
Balance, March 31, 2013	773,430	773,430	114,500	213,131	20,418	187,361	420,910	-2,536	-2,536	1,306,304	26,323	1,332,627

(In Thousands of New Taiwan Dollars)

Item	Ordinary share	Total capital stock	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Treasury shares	Equity Attributable to Shareholders of the Parent	Noncontrolling interests	Total equity
Balance, January 1, 2012	773,430	773,430	138,979	198,769	70,171	268,940	0	0	-17,610	1,163,739	18,770	1,182,509
Profit (loss)					16,268	16,268				16,268	-18	16,250
OTHER COMPREHENSIVE INCOME (LOSS)							-6,549	-6,549		-6,549		-6,549
Comprehensive Income					16,268	16,268	-6,549	-6,549		9,719	-18	9,701
Share-based payments			1,773							1,773		1,773
Increase (decrease) in noncontrolling interests											-220	-220
Other			1,026						17,610	18,636		18,636
Total Increase (decrease) in equity	0	0	2,799	0	16,268	16,268	-6,549	-6,549	17,610	30,128	-238	29,890
Balance, March 31, 2012	773,430	773,430	141,778	198,769	86,439	285,208	-6,549	-6,549	0	1,193,867	18,532	1,212,399

Axiomtek Co., Ltd. And Subsidiaries  
Consolidated Statements of Cash Flows

(In Thousands of New Taiwan Dollars)

Item	<u>2013/1/1-3/31</u>	<u>2012/1/1-3/31</u>
<b>Cash flows from (used in) operating activities, indirect method</b>		
Profit (loss) from continuing operations before tax	93,892	22,842
Profit (loss) before tax	93,892	22,842
<b>Adjustments</b>		
<b>Adjustments to reconcile profit (loss)</b>		
Depreciation expense	8,800	9,187
Amortization expense	1,533	1,194
Provision (reversal of provision) for bad debt expense	1,052	391
Net loss (gain) on financial assets or liabilities at fair value through profit or	-4	-46
Interest expense	487	690
Interest revenue	-124	-111
Share-based payments	803	2,849
Loss (gain) on disposal of property, plan and equipment	0	-70
Loss (gain) on disposal of investments	-45	-16
Total adjustments to reconcile profit (loss)	12,502	14,068
<b>Changes in operating assets and liabilities</b>		
<b>Changes in operating assets</b>		
Decrease (increase) in financial assets held for trading	-27,455	-47,996
Decrease (increase) in notes receivable	9,742	26,780
Decrease (increase) in accounts receivable	-62,732	14,394
Decrease (increase) in other receivable	-17,016	-8,489
Decrease (increase) in inventories	-86,456	-12,338
Decrease (increase) in prepayments	19,769	-14,250
Decrease (increase) in other current assets	-251	5,725
Total changes in operating assets	-164,399	-36,174
<b>Changes in operating liabilities</b>		
Increase (decrease) in notes payable	-14	3,211
Increase (decrease) in accounts payable	67,444	60,565
Increase (decrease) in other payable	-5,231	-13,919
Increase (decrease) in other current liabilities	355	4,249
Total changes in operating liabilities	62,554	54,106
Total changes in operating assets and liabilities	-101,845	17,932
Total adjustments	-89,343	32,000
Cash inflow (outflow) generated from operations	4,549	54,842
Interest received	124	111
Interest paid	-446	-711
Income taxes refund (paid)	-5,731	-1
Net cash flows from (used in) operating activities	-1,504	54,241
<b>Cash flows from (used in) investing activities</b>		
Acquisition of property, plant and equipment	-8,474	-13,421
Proceeds from disposal of property, plant and equipment	0	70
Acquisition of intangible assets	0	-4,657
Increase in other non-current assets	15	346
Net cash flows from (used in) investing activities	-8,459	-17,662
<b>Cash flows from (used in) financing activities</b>		
Decrease in short-term loans	-1,000	-4,000
Increase in short-term notes and bills payable	-14,992	7

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<b>Item</b>	<u>2013/1/1-3/31</u>	<u>2012/1/1-3/31</u>
Decrease in other non-current liabilities	-256	-8
Treasury shares sold to employees	0	17,561
Change in noncontrolling interests	2,696	-220
Net cash flows from (used in) financing activities	-13,552	13,340
Effect of exchange rate changes on cash and cash equivalents	6,102	-7,435
Net increase (decrease) in cash and cash equivalents	-17,413	42,484
Cash and cash equivalents at beginning of period	428,572	376,038
Cash and cash equivalents at end of period	411,159	418,522
Cash and cash equivalents reported in the statement of financial position	411,159	418,522