

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Balance Sheet
March 31, 2012 and 2011
(in thousands of New Taiwan dollars)

Assets	2012/3/31		2011/3/31	
	Amount	%	Amount	%
Current assets :				
Cash and cash equivalents	\$ 2,905,650	15	\$ 2,926,400	18
Financial assets at fair value through profit or loss - current	22,245	-	77	-
Notes and accounts receivable, net	3,995,799	20	2,691,512	17
Receivables from related parties	3,158,896	16	2,533,714	16
Other financial assets - current	39,141	-	47,051	-
Inventories	5,204,388	26	3,954,231	24
Deferred income tax assets - current	72,762	1	116,067	1
Other current assets	489,384	2	113,120	-
	<u>15,888,265</u>	<u>80</u>	<u>12,382,172</u>	<u>76</u>
Funds and investments :				
Other financial assets - noncurrent	36,422	-	22,056	-
Available-for-sale financial assets - noncurrent	216,304	1	270,010	2
Financial assets carried at cost - noncurrent	9,996	-	9,996	-
	<u>262,722</u>	<u>1</u>	<u>302,062</u>	<u>2</u>
Property, plant and equipment :				
Land	100,788	-	100,600	-
Buildings and improvements	3,025,218	15	1,967,076	12
Machinery and equipment	1,958,454	10	1,583,224	10
Transportation, office and other equipment	340,538	2	278,946	2
	<u>5,424,998</u>	<u>27</u>	<u>3,929,846</u>	<u>24</u>
Less: accumulated depreciation	2,089,009	10	1,832,952	11
Prepayment for equipment and construction in progress	126,726	-	1,011,519	6
	<u>3,462,715</u>	<u>17</u>	<u>3,108,413</u>	<u>19</u>
Intangible assets				
Trademarks	124	-	116	-
Goodwill	140,913	1	140,913	1
Core technologies	-	-	5,756	-
Land use right	110,241	-	107,985	1
	<u>251,278</u>	<u>1</u>	<u>254,770</u>	<u>2</u>
Other assets :				
Deferred expenses	121,281	1	113,470	1
	<u>121,281</u>	<u>1</u>	<u>113,470</u>	<u>1</u>
Total assets	<u>\$ 19,986,261</u>	<u>100</u>	<u>16,160,887</u>	<u>100</u>

Liabilities and Stockholders' Equity	2012/3/31		2011/3/31	
	Amount	%	Amount	%
Current liabilities :				
Short-term borrowings	\$ 876,625	4	\$ 1,209,204	8
Accounts payable	6,353,126	32	4,228,503	26
Payable to related parties	6,476	-	9,340	-
Income tax payable	137,082	1	129,118	1
Accrued expenses	862,924	4	870,396	5
Financial liabilities at fair value through profit or loss - current	2,108	-	24,203	-
Other current liabilities	614,286	3	297,597	2
	<u>8,852,627</u>	<u>44</u>	<u>6,768,361</u>	<u>42</u>
Long-term liabilities :				
Financial liabilities at fair value through profit or loss - noncurrent	61	-	-	-
Bonds payable	183,847	1	-	-
Long-term loans	308,284	2	-	-
	<u>492,192</u>	<u>3</u>	<u>-</u>	<u>-</u>
Other liabilities :				
Accrued pension liabilities	159,601	1	135,344	1
Deferred income tax liabilities - noncurrent	34,435	-	22,262	-
Miscellaneous liabilities - other	-	-	323	-
	<u>194,036</u>	<u>1</u>	<u>157,929</u>	<u>1</u>
Total liabilities	<u>9,538,855</u>	<u>48</u>	<u>6,926,290</u>	<u>43</u>
Stockholders' equity :				
Common stock	4,785,667	24	4,756,184	29
Advance receipts for common stock	400,658	2	1,422	-
	<u>5,186,325</u>	<u>26</u>	<u>4,757,606</u>	<u>29</u>
Capital surplus	2,236,094	11	1,803,116	11
Retained earnings :				
Legal reserve	693,341	3	599,696	4
Special reserve	102,505	1	-	-
Unappropriated earnings	2,334,150	12	2,231,392	14
	<u>3,129,996</u>	<u>16</u>	<u>2,831,088</u>	<u>18</u>
Cumulative foreign currency translation adjustment	111,851	-	57,795	-
Unrealized gain or loss on available-for-sale financial assets	(216,203)	(1)	(162,496)	(1)
Treasury stock	-	-	(54,459)	-
Minority interes	(657)	-	1,947	-
	<u>10,447,406</u>	<u>52</u>	<u>9,234,597</u>	<u>57</u>
Total stockholders' equity	<u>10,447,406</u>	<u>52</u>	<u>9,234,597</u>	<u>57</u>
Commitments and contingencies				
Total liabilities and stockholders' equity	<u>\$ 19,986,261</u>	<u>100</u>	<u>16,160,887</u>	<u>100</u>

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Income

Years ended March 31, 2012 and 2011

(in thousands of New Taiwan dollars, except for net income per common share)

	2012Q1		2011Q1	
	Amount	%	Amount	%
Sales revenue	\$ 6,322,300	100	\$ 5,666,640	100
Cost of goods sold	5,326,096	84	4,834,910	85
Gross Profit	996,204	16	831,730	15
Operating expenses :				
Selling	168,591	3	162,937	3
General and administrative	223,522	3	170,667	3
Research and development	362,538	6	370,872	7
	754,651	12	704,476	13
Operating income	241,553	4	127,254	2
Non-operating income and gains:				
Interest income	5,015	-	4,718	-
Gain on valuation of financial assets	97,564	2	-	-
Other income, net	1,748	-	6,240	-
	104,327	2	10,958	-
Non-operating expense and loss:				
Interest expenses	18,684	-	11,082	-
Foreign currency exchange loss, net	154,824	3	22,128	1
Loss on valuation of financial assets	-	-	15,454	-
Other loss, net	729	-	-	-
	174,237	3	48,664	1
Income before income taxes	171,643	3	89,548	1
Income tax expenses	35,202	1	11,749	-
Net income	\$ 136,441	2	77,799	1
Attributable to:				
Equity holders of the parent company	137,043	2	78,501	1
Minority interest	(602)	-	(702)	-
	\$ 136,441	2	77,799	1
Earing per share(in New Taiwan dollars)	Before taxes	After taxes	Before taxes	After taxes
Basic earnings per share	\$ 0.34	0.27	0.19	0.17
Diluted earnings per share	\$ 0.33	0.26	0.19	0.16