

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Balance Sheet
March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012
(in thousands of New Taiwan dollars)

Assets	2013/3/31		2012/12/31		2012/3/31		2012/1/1	
	Amount	%	Amount	%	Amount	%	Amount	%
Current assets :								
Cash and cash equivalents	\$ 2,972,762	18	\$ 2,370,758	14	\$ 2,905,650	15	\$ 3,266,754	16
Financial assets at fair value through profit or loss - current	4,266	-	12,929	-	22,245	-	10,901	-
Notes and accounts receivable, net	3,354,902	20	3,561,852	21	3,995,799	20	3,945,596	20
Receivables from related parties	1,962,968	11	2,303,383	14	3,158,896	16	3,373,778	17
Inventories	3,887,883	23	3,625,215	22	5,204,388	26	4,787,314	24
Other financial assets - current	368	-	5,141	-	39,141	-	162,040	1
Other current assets	563,840	3	542,646	3	489,384	2	320,036	1
	<u>12,746,989</u>	<u>75</u>	<u>12,421,924</u>	<u>74</u>	<u>15,815,503</u>	<u>79</u>	<u>15,866,419</u>	<u>79</u>
Non-current assets :								
Available-for-sale financial assets - noncurrent	173,930	1	180,828	1	216,304	1	201,522	1
Financial assets carried at cost - noncurrent	9,996	-	9,996	-	9,996	-	9,996	-
Property, plant and equipment	3,576,868	21	3,567,708	21	3,335,989	17	3,428,599	17
Intangible assets	237,002	1	246,264	2	262,318	1	250,141	1
Deferred tax assets	94,635	1	94,635	1	88,986	-	119,447	1
Prepaid long-term investments	78,305	-	78,305	-	-	-	-	-
Other financial assets - noncurrent	33,429	-	33,786	-	36,422	-	36,984	-
Long-term prepaid rent	110,668	1	107,895	1	110,241	1	114,020	1
Other non-current assets	22,847	-	33,488	-	126,726	1	58,523	-
	<u>4,337,680</u>	<u>25</u>	<u>4,352,905</u>	<u>26</u>	<u>4,186,982</u>	<u>21</u>	<u>4,219,232</u>	<u>21</u>
Total assets	<u>\$ 17,084,669</u>	<u>100</u>	<u>\$ 16,774,829</u>	<u>100</u>	<u>\$ 20,002,485</u>	<u>100</u>	<u>\$ 20,085,651</u>	<u>100</u>

Liabilities and Stockholders' Equity	2013/3/31		2012/12/31		2012/3/31		2012/1/1	
	Amount	%	Amount	%	Amount	%	Amount	%
Current liabilities :								
Short-term borrowings	\$ 689,443	4	\$ 775,806	5	\$ 876,625	4	\$ 1,299,455	6
Financial liabilities at fair value through profit or loss - current	47,631	-	1,922	-	2,108	-	12,844	-
Accounts payable	4,276,306	25	3,978,703	24	6,353,126	31	6,202,891	31
Payable to related parties	4,385	-	20,039	-	6,476	-	24,221	-
Income tax payable	139,833	1	124,446	1	137,082	1	128,402	1
Accrued expenses	882,925	6	896,333	5	946,975	5	1,312,115	6
Provisions-current	241,530	1	246,685	1	254,981	1	267,115	1
Other current liabilities	193,348	1	215,090	1	359,372	2	176,886	1
	<u>6,475,401</u>	<u>38</u>	<u>6,259,024</u>	<u>37</u>	<u>8,936,745</u>	<u>44</u>	<u>9,423,929</u>	<u>46</u>
Non-current liabilities :								
Financial liabilities at fair value through profit or loss - noncurrent	598	-	964	-	61	-	3,385	-
Bonds payable	178,088	1	177,081	1	183,847	1	844,453	4
Long-term loans	301,189	1	293,007	2	308,284	2	-	-
Deferred income tax liabilities	65,517	-	65,969	-	34,994	-	81,021	-
Accrued pension liabilities	490,869	3	484,866	3	387,058	2	384,060	2
Miscellaneous liabilities - other	394	-	382	-	-	-	648	-
	<u>1,036,655</u>	<u>5</u>	<u>1,022,269</u>	<u>6</u>	<u>914,244</u>	<u>5</u>	<u>1,313,567</u>	<u>6</u>
Total liabilities	<u>7,512,056</u>	<u>43</u>	<u>7,281,293</u>	<u>43</u>	<u>9,850,989</u>	<u>49</u>	<u>10,737,496</u>	<u>52</u>
Stockholders' equity :								
Common stock	4,917,520	29	5,136,764	31	4,785,667	24	4,756,784	24
Advance receipts for common	-	-	1,546	-	400,658	2	28,883	-
	<u>4,917,520</u>	<u>29</u>	<u>5,138,310</u>	<u>31</u>	<u>5,186,325</u>	<u>26</u>	<u>4,785,667</u>	<u>24</u>
Capital surplus	2,150,955	13	2,237,319	13	2,236,094	11	1,929,425	10
Retained earnings :								
Legal reserve	788,389	5	788,389	5	693,341	3	693,341	4
Special reserve	65,322	-	65,322	-	102,505	1	102,505	1
Unappropriated earnings	1,900,904	11	1,954,547	12	2,203,902	11	2,068,256	10
	<u>2,754,615</u>	<u>16</u>	<u>2,808,258</u>	<u>17</u>	<u>2,999,748</u>	<u>15</u>	<u>2,864,102</u>	<u>15</u>
Others	(250,477)	(1)	(321,862)	(2)	(270,014)	(1)	(230,984)	(1)
Treasury stock	-	-	(368,489)	(2)	-	-	-	-
Non-controlling interest	-	-	-	-	(657)	-	(55)	-
Total stockholders' equity	<u>9,572,613</u>	<u>57</u>	<u>9,493,536</u>	<u>57</u>	<u>10,151,496</u>	<u>51</u>	<u>9,348,155</u>	<u>48</u>
Total liabilities and stockholders' equity	<u>\$ 17,084,669</u>	<u>100</u>	<u>\$ 16,774,829</u>	<u>100</u>	<u>\$ 20,002,485</u>	<u>100</u>	<u>\$ 20,085,651</u>	<u>100</u>

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

Years ended Mar 31, 2013 and 2012

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

	2013Q1		2012Q1	
	Amount	%	Amount	%
Sales revenue	\$ 4,849,274	100	\$ 6,322,300	100
Cost of goods sold	4,086,903	84	5,326,721	84
Gross Profit	762,371	16	995,579	16
Operating expenses :				
Selling	134,735	3	169,310	3
General and administrative	208,062	4	221,460	3
Research and development	362,083	8	365,569	6
	704,880	15	756,339	12
Operating income	57,491	1	239,240	4
Non-operating income and expenses :				
Other income	10,945	-	6,034	-
Other gains and losses	17,534	-	(57,260)	(1)
Finance costs	(13,279)	-	(18,684)	-
	15,200	-	(69,910)	(1)
Income before income taxes	72,691	1	169,330	3
Income tax expenses	24,410	-	34,286	1
Net income	48,281	1	135,044	2
Other comprehensive income:				
Foreign currency translation differences - foreign operations	78,283	1	(64,832)	(1)
Unrealized gain or loss on available-for-sale financial assets	(6,898)	-	14,781	-
Tax on other comprehensive income	-	-	11,021	-
Net other comprehensive income	71,385	1	(39,030)	(1)
Comprehensive income	\$ 119,666	2	\$ 96,014	1
Net Income attributable to:				
Equity holders of the parent company	48,281	1	135,646	2
Non-controlling interest	-	-	(602)	-
	\$ 48,281	1	\$ 135,044	2
Comprehensive Income attributable to:				
Equity holders of the parent company				
Non-controlling interest	119,666	2	96,616	1
	-	-	(602)	-
	\$ 119,666	2	\$ 96,014	1
Earing per share(in New Taiwan dollars)				
Basic earnings per share	\$ 0.10		\$ 0.27	
Diluted earnings per share	\$ 0.10		\$ 0.26	