

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheet**  
**March 31, 2014<sup>†</sup> December 31, 2013 and March 31, 2013**  
(in thousands of New Taiwan dollars)

Assets	2014/3/31		2013/12/31		2013/3/31		Liabilities and Stockholders' Equity	2014/3/31		2013/12/31		2013/3/31	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Current assets :</b>							<b>Current liabilities :</b>						
Cash and cash equivalents	\$ 1,378,217	8	\$ 1,542,704	9	\$ 2,192,762	14	Short-term borrowings	\$ 659,399	4	\$ 597,898	3	\$ 689,443	4
Financial assets at fair value through profit or loss - current	-	-	9,285	-	4,266	-	Financial liabilities at fair value through profit or loss - current	86,461	1	51,487	-	47,631	-
Notes and accounts receivable, net	2,461,502	14	3,318,715	20	2,449,164	15	Accounts payable	4,075,395	24	4,765,967	28	3,469,760	22
Receivables from related parties	2,397,634	14	2,575,087	14	1,962,968	12	Accrued expenses	930,110	6	1,095,369	6	882,925	6
Inventories	4,698,485	29	4,394,209	24	3,887,883	24	Payable to related parties	8,739	-	13,218	-	4,385	-
Other financial assets - current	943,654	6	799,325	5	780,368	5	Income tax payable	42,390	-	42,577	-	139,833	1
Other current assets	1,002,766	6	1,074,672	6	563,840	4	Provisions-current	232,338	1	235,346	1	241,530	2
	12,882,258	77	13,713,997	78	11,841,251	74	Other current liabilities	40,646	-	137,169	1	94,156	1
<b>Non-current assets :</b>							Long-term liabilities - current	301,705	2	136,797	1	-	-
Available-for-sale financial assets - noncurrent	215,574	1	179,668	1	173,930	1		6,377,183	38	7,075,828	40	5,569,663	36
Financial assets carried at cost - noncurrent	9,996	-	9,996	-	9,996	-	<b>Non-current liabilities :</b>						
Long-term investments	118,965	1	124,965	1	-	-	Financial liabilities at fair value through profit or loss - noncurrent	-	-	-	-	598	-
Property, plant and equipment	3,383,440	20	3,479,772	19	3,576,868	22	Bonds payable	-	-	-	-	178,088	1
Intangible assets	216,444	1	220,966	1	237,002	1	Long-term loans	301,705	2	601,770	3	301,189	2
Deferred tax assets	52,329	-	52,399	-	94,635	1	Deferred income tax liabilities	114,448	1	114,448	1	65,517	-
Prepaid long-term investments	-	-	-	-	78,305	-	Accrued pension liabilities	365,085	2	359,210	2	490,869	3
Other financial assets - noncurrent	42,754	-	56,022	-	33,429	-	Miscellaneous liabilities - other	717	-	523	-	394	-
Long-term prepaid rent	78,305	-	79,165	-	110,668	1		781,955	5	1,075,951	6	1,036,655	6
Other non-current assets	54,500	-	21,829	-	22,847	-	<b>Total liabilities</b>	7,159,138	43	8,151,779	46	6,606,318	42
	4,172,307	23	4,224,782	22	4,337,680	26	<b>Stockholders' equity :</b>						
							Common stock	4,943,441	29	4,917,727	27	4,917,520	30
							Advance receipts for common	80,000	-	25,714	-	-	-
								5,023,441	29	4,943,441	27	4,917,520	30
							Capital surplus	2,226,823	13	2,169,424	12	2,150,955	13
							Retained earnings :						
							Legal reserve	860,001	5	860,001	5	788,389	5
							Special reserve	156,201	1	156,201	1	65,322	-
							Unappropriated earnings	2,086,065	12	2,037,327	11	1,900,904	12
								3,102,267	18	3,053,529	17	2,754,615	17
							Others	(194,074)	(1)	(196,722)	(1)	(250,477)	(2)
							Treasury stock	(263,030)	(2)	(182,672)	(1)	-	-
							<b>Total stockholders' equity</b>	9,895,427	57	9,787,000	54	9,572,613	58
<b>Total assets</b>	<b>\$ 17,054,565</b>	<b>100</b>	<b>\$ 17,938,779</b>	<b>100</b>	<b>\$ 16,178,931</b>	<b>100</b>	<b>Total liabilities and stockholders' equity</b>	<b>\$ 17,054,565</b>	<b>100</b>	<b>\$ 17,938,779</b>	<b>100</b>	<b>\$ 16,178,931</b>	<b>100</b>

## ALPHA NETWORKS INC. AND SUBSIDIARIES

### Consolidated Statements of Comprehensive Income

Years ended March 31, 2014 and 2013

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

	2014Q1		2013Q1	
	Amount	%	Amount	%
<b>Sales revenue</b>	\$ 5,436,943	100	\$ 4,849,274	100
<b>Cost of goods sold</b>	4,681,999	86	4,086,903	84
<b>Gross Profit</b>	754,944	14	762,371	16
<b>Operating expenses :</b>				
Selling	141,191	3	134,735	3
General and administrative	190,065	4	208,062	4
Research and development	355,167	7	362,083	8
	686,423	14	704,880	15
<b>Operating income</b>	68,521	-	57,491	1
<b>Non-operating income and expenses :</b>				
Other income and expenses	23,732	-	10,945	-
Other gains and losses	(12,847)	-	17,534	-
Finance costs	(16,071)	-	(13,279)	-
Long-term investment losses	(6,000)	-	-	-
	(11,186)	-	15,200	-
<b>Income before income taxes</b>	57,335	-	72,691	1
<b>Income tax expenses</b>	8,597	-	24,410	-
<b>Net income</b>	48,738	-	48,281	1
<b>Other comprehensive income:</b>				
Foreign currency translation differences - foreign operations	(33,258)	(1)	78,283	1
Unrealized gain or loss on available-for-sale financial assets	35,906	1	(6,898)	-
Tax on other comprehensive income	-	-	-	-
<b>Net other comprehensive income</b>	2,648	-	71,385	1
<b>Comprehensive income</b>	<b>\$ 51,386</b>	<b>-</b>	<b>\$ 119,666</b>	<b>2</b>
<b>Earning per share(in New Taiwan dollars)</b>				
Basic earnings per share	\$ 0.10		\$ 0.10	
Diluted earnings per share	\$ 0.10		\$ 0.10	