

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheet**  
**June 30, 2015, December 31, 2014 and June 30, 2014**  
(in thousands of New Taiwan dollars)

Assets	2015/6/30		2014/12/31		2014/6/30		Liabilities and Stockholders' Equity	2015/6/30		2014/12/31		2014/6/30	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Current assets :</b>							<b>Current liabilities :</b>						
Cash and cash equivalents	\$ 2,792,501	17	\$ 2,281,025	14	\$ 1,521,640	8	Short-term borrowings	\$ 140,863	1	\$ 309,899	2	\$ 2,135,823	11
Financial assets at fair value through profit or loss - current	13,983	-	690	-	28,586	-	Financial liabilities at fair value through profit or loss - current	14,907	-	131,889	1	12,985	-
Notes and accounts receivable, net	3,179,907	20	2,848,315	17	2,741,032	15	Accounts payable	4,010,581	25	3,830,819	23	3,938,293	21
Receivables from related parties	2,052,215	13	2,600,755	16	2,513,811	14	Accrued expenses	961,740	6	1,057,230	6	1,046,890	6
Inventories	3,860,818	24	4,014,506	24	4,518,507	25	Payable to related parties	7,014	-	9,624	-	7,858	-
Other financial assets - current	294,552	2	361,719	2	2,142,763	12	Income tax payable	24,315	-	92,626	1	38,601	-
Other current assets	270,247	2	515,851	3	944,240	5	Provisions-current	238,466	1	241,947	2	237,715	1
	<u>12,464,223</u>	<u>78</u>	<u>12,622,861</u>	<u>76</u>	<u>14,410,579</u>	<u>79</u>	Dividends payable	579,306	4	-	-	663,265	4
<b>Non-current assets :</b>							Other current liabilities	109,102	1	228,889	1	89,504	-
Available-for-sale financial assets - noncurrent	129,664	1	186,957	1	197,212	1	Long-term liabilities - current portion	304,274	2	312,026	2	296,214	2
Financial assets carried at cost - noncurrent	-	-	9,996	-	9,996	-		<u>6,390,568</u>	<u>40</u>	<u>6,214,949</u>	<u>38</u>	<u>8,467,148</u>	<u>45</u>
Investments in debt securities with no active market- noncurrent	77,925	-	-	-	-	-	<b>Non-current liabilities :</b>						
Long-term investments	88,965	1	100,965	1	112,965	1	Long-term loans	314,274	2	312,026	2	296,214	2
Property, plant and equipment	3,048,343	19	3,335,529	20	3,252,687	18	Deferred income tax liabilities	149,818	1	149,818	1	114,448	1
Intangible assets	214,052	1	219,877	1	217,964	1	Defined benefit liabilities	376,961	2	364,958	2	371,085	2
Deferred tax assets	80,666	-	81,076	-	52,040	-	Miscellaneous liabilities - other	557	-	673	-	704	-
Other financial assets - noncurrent	20,303	-	53,618	-	60,370	-		<u>841,610</u>	<u>5</u>	<u>827,475</u>	<u>5</u>	<u>782,451</u>	<u>5</u>
Long-term prepaid rent	77,265	-	80,067	1	76,445	-	<b>Total liabilities</b>	<u>7,232,178</u>	<u>45</u>	<u>7,042,424</u>	<u>43</u>	<u>9,249,599</u>	<u>50</u>
Other non-current assets	51,808	-	34,576	-	70,575	-	<b>Stockholders' equity :</b>						
	<u>3,788,991</u>	<u>22</u>	<u>4,102,661</u>	<u>24</u>	<u>4,050,254</u>	<u>21</u>	Common stock	4,921,271	30	4,971,271	30	4,971,271	27
<b>Total assets</b>	<u>\$ 16,253,214</u>	<u>100</u>	<u>\$ 16,725,522</u>	<u>100</u>	<u>\$ 18,460,833</u>	<u>100</u>	Capital surplus	2,185,837	13	2,205,729	13	2,205,729	12
							Retained earnings :						
							Legal reserve	991,530	6	937,953	6	937,953	5
							Special reserve	110,280	1	196,722	1	196,722	1
							Unappropriated earnings	1,247,496	8	1,739,138	10	1,344,868	7
								<u>2,349,306</u>	<u>15</u>	<u>2,873,813</u>	<u>17</u>	<u>2,479,543</u>	<u>13</u>
							Others	(252,706)	(2)	(110,280)	(1)	(262,637)	(1)
							Treasury stock	(182,672)	(1)	(257,435)	(2)	(182,672)	(1)
							<b>Total stockholders' equity</b>	<u>9,021,036</u>	<u>55</u>	<u>9,683,098</u>	<u>57</u>	<u>9,211,234</u>	<u>50</u>
							<b>Total liabilities and stockholders' equity</b>	<u>\$ 16,253,214</u>	<u>100</u>	<u>\$ 16,725,522</u>	<u>100</u>	<u>\$ 18,460,833</u>	<u>100</u>

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**Years ended June 30, 2015 and 2014**  
(in thousands of New Taiwan dollars, except for net income per common share)

	2015/4/1~2015/6/30		2014/4/1~2014/6/30		2015/1/1~2015/6/30		2014/1/1~2014/6/30	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Sales revenue</b>	\$ 6,301,168	100	\$ 5,996,966	100	\$ 12,158,192	100	\$ 11,433,909	100
<b>Cost of goods sold</b>	5,572,793	88	5,134,351	86	10,624,104	87	9,816,350	86
<b>Gross Profit</b>	728,375	12	862,615	14	1,534,088	13	1,617,559	14
<b>Operating expenses :</b>								
Selling	159,727	3	142,827	2	274,385	2	284,018	2
General and administrative	187,052	3	212,928	4	378,708	3	402,993	4
Research and development	359,758	6	335,490	6	716,997	6	690,657	6
	706,537	12	691,245	12	1,370,090	11	1,377,668	12
<b>Operating income</b>	21,838	-	171,370	2	163,998	2	239,891	2
<b>Non-operating income and expenses :</b>								
Other income	42,349	1	16,678	-	54,972	-	39,826	-
Other gains and losses	(45,196)	(1)	(70,611)	(1)	(106,520)	(1)	(93,605)	(1)
Finance costs	(5,660)	-	(6,374)	-	(9,771)	-	(11,714)	-
Long-term investment losses	(6,000)	-	(6,000)	-	(12,000)	-	(12,000)	-
	(14,507)	-	(66,307)	(1)	(73,319)	(1)	(77,493)	(1)
<b>Income before income taxes</b>	7,331	-	105,063	1	90,679	1	162,398	1
<b>Income tax expenses</b>	7,331	-	8,277	-	23,716	-	16,874	-
<b>Net income</b>	-	-	96,786	1	66,963	1	145,524	1
<b>Other comprehensive income:</b>								
Foreign currency translation differences - foreign operations	(44,572)	(1)	(50,201)	(1)	(85,132)	(1)	(83,459)	-
Unrealized gain or loss on available-for-sale financial assets	(40,206)	(1)	(18,362)	-	(57,294)	-	17,544	-
<b>Net other comprehensive income</b>	(84,778)	(2)	(68,563)	(1)	(142,426)	(1)	(65,915)	-
<b>Comprehensive income</b>	<b>\$ (84,778)</b>	<b>-</b>	<b>28,223</b>	<b>-</b>	<b>(75,463)</b>	<b>-</b>	<b>79,609</b>	<b>1</b>
<b>Earning per share(in New Taiwan dollars)</b>								
Basic earnings per share	<b>\$ 0.00</b>		<b>\$ 0.20</b>		<b>\$ 0.14</b>		<b>\$ 0.30</b>	
Diluted earnings per share	<b>\$ 0.00</b>		<b>\$ 0.20</b>		<b>\$ 0.14</b>		<b>\$ 0.30</b>	