

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited)
March 31, 2013, and December 31, March 31 and January 1, 2012
(expressed in thousands of New Taiwan dollars)

Assets	March 31, 2013		December 31, 2012		March 31, 2012		January 1, 2012		Liabilities and equity	March 31, 2013		December 31, 2012		March 31, 2012		January 1, 2012	
	Amount	%	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	Amount	%
Current assets:									Current liabilities:								
Cash and cash equivalents	\$ 43,498,383	14.2	44,154,582	14.2	54,177,262	18.8	52,348,302	18.6	Short-term borrowings	\$ 31,214,020	10.2	36,533,793	11.7	19,984,543	6.9	14,907,377	5.3
Current financial assets at fair value through profit or loss	40,009	-	81,386	-	141,161	0.1	185,549	-	Current financial liabilities at fair value through profit or loss	15,208	-	39,963	-	40,957	-	3,569	-
Current available-for-sale financial assets	105,592	-	109,792	-	123,925	-	97,092	-	Notes and accounts payable	130,546,758	42.7	136,095,500	43.6	130,509,831	45.2	130,494,478	46.4
Notes and accounts receivable, net	155,303,196	50.8	159,541,841	51.2	144,161,874	49.9	135,893,459	48.3	Notes and accounts payable to related parties	2,380,148	0.8	2,958,167	0.9	2,979,498	1.1	2,277,611	0.8
Notes and accounts receivable due from related parties, net	231,712	0.1	1,285,357	0.4	4,497	-	19,443	-	Other payables	15,551,776	5.1	14,671,983	4.7	12,191,346	4.3	12,716,278	4.6
Other receivables	660,395	0.2	772,840	0.2	388,607	0.1	474,562	0.2	Current tax liabilities	1,549,044	0.5	1,064,261	0.3	1,198,950	0.4	1,192,942	0.4
Inventories, net	50,746,355	16.6	51,707,468	16.6	43,751,628	15.2	46,912,683	16.7	Current provisions	1,897,849	0.6	1,891,571	0.7	2,036,546	0.7	2,061,168	0.7
Other current assets	1,593,653	0.5	1,480,342	0.5	1,399,888	0.5	1,428,395	0.5	Unearned revenue	1,704,355	0.6	1,697,512	0.6	2,634,006	0.9	3,084,542	1.1
	<u>252,179,295</u>	<u>82.4</u>	<u>259,133,608</u>	<u>83.1</u>	<u>244,148,842</u>	<u>84.6</u>	<u>237,359,485</u>	<u>84.3</u>	Long-term liabilities, current portion	113,880	-	47,383	-	74,000	-	82,000	-
										<u>184,973,038</u>	<u>60.5</u>	<u>195,000,133</u>	<u>62.5</u>	<u>171,649,677</u>	<u>59.5</u>	<u>166,819,965</u>	<u>59.3</u>
Non-current assets:								Non-current liabilities:									
Investments accounted for using equity method	11,733,188	3.8	11,313,895	3.6	8,383,307	2.9	8,503,244	3.0	Long-term borrowings	627,380	0.2	550,604	0.2	12,500	-	25,000	-
Non-current available-for-sale financial assets	8,806,777	2.9	8,170,610	2.6	7,809,726	2.7	6,773,364	2.4	Deferred tax liabilities	639,958	0.2	683,049	0.2	363,218	0.1	390,103	0.1
Non-current financial assets at cost	7,015,000	2.3	7,015,000	2.2	7,017,492	2.4	7,017,492	2.5	Accrued pension liabilities	633,405	0.2	693,155	0.2	543,855	0.2	553,467	0.2
Non-current bond investment without active market	1,745,000	0.6	1,745,000	0.6	1,706,975	0.6	1,680,835	0.6	Deferred credits and others	362,428	0.1	195,494	0.1	189,767	0.1	194,163	0.1
Property, plant and equipment	20,956,307	6.9	20,772,790	6.7	15,349,276	5.3	15,406,493	5.5		<u>2,263,171</u>	<u>0.7</u>	<u>2,122,302</u>	<u>0.7</u>	<u>1,109,340</u>	<u>0.4</u>	<u>1,162,733</u>	<u>0.4</u>
Intangible assets	1,355,815	0.5	1,535,171	0.5	1,448,482	0.5	1,532,829	0.6	Total liabilities	<u>187,236,209</u>	<u>61.2</u>	<u>197,122,435</u>	<u>63.2</u>	<u>172,759,017</u>	<u>59.9</u>	<u>167,982,698</u>	<u>59.7</u>
Deferred tax assets	959,241	0.3	1,094,333	0.4	1,223,270	0.5	1,231,324	0.4	Equity attributable to owners of parent:								
Other non-current financial assets	67,108	-	65,886	-	114,324	-	118,586	-	Ordinary shares	44,126,526	14.4	44,126,526	14.1	44,094,963	15.3	44,002,554	15.6
Long-term prepaid rents	709,803	0.2	703,079	0.2	740,314	0.3	761,327	0.3	Capital surplus	16,183,651	5.3	16,122,810	5.2	16,009,063	5.5	15,889,855	5.7
Other non-current assets	406,666	0.1	366,333	0.1	702,871	0.2	1,038,754	0.4	Retained earnings	56,410,284	18.5	55,053,941	17.7	56,863,064	19.7	54,964,759	19.5
	<u>53,754,905</u>	<u>17.6</u>	<u>52,782,097</u>	<u>16.9</u>	<u>44,496,037</u>	<u>15.4</u>	<u>44,064,248</u>	<u>15.7</u>	Other equity interest	(6,103,211)	(2.0)	(8,382,397)	(2.7)	(8,493,604)	(3.0)	(8,520,843)	(3.0)
									Treasury shares	(881,247)	(0.3)	(881,247)	(0.3)	(881,247)	(0.3)	(881,247)	(0.3)
										<u>109,736,003</u>	<u>35.9</u>	<u>106,039,633</u>	<u>34.0</u>	<u>107,592,239</u>	<u>37.2</u>	<u>105,455,078</u>	<u>37.5</u>
									Non-controlling interests	8,961,988	2.9	8,753,637	2.8	8,293,623	2.9	7,985,957	2.8
									Total equity	<u>118,697,991</u>	<u>38.8</u>	<u>114,793,270</u>	<u>36.8</u>	<u>115,885,862</u>	<u>40.1</u>	<u>113,441,035</u>	<u>40.3</u>
Total assets	<u>\$ 305,934,200</u>	<u>100.0</u>	<u>311,915,705</u>	<u>100.0</u>	<u>288,644,879</u>	<u>100.0</u>	<u>281,423,733</u>	<u>100.0</u>	Total liabilities and equity	<u>\$ 305,934,200</u>	<u>100.0</u>	<u>311,915,705</u>	<u>100.0</u>	<u>288,644,879</u>	<u>100.0</u>	<u>281,423,733</u>	<u>100.0</u>

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES
Consolidated statements of comprehensive income (Unaudited)
For the three-months ended March 31, 2013 and 2012
(expressed in thousands of New Taiwan dollars, except net income per share amounts)

	2013		2012	
	Amount	%	Amount	%
Net sales revenue	\$ 167,555,905	100.0	161,754,852	100.0
Cost of sales	160,972,872	96.1	154,664,927	95.6
Gross profit	6,583,033	3.9	7,089,925	4.4
Operating expenses:				
Selling expenses	763,287	0.5	690,811	0.4
Administrative expenses	1,002,200	0.6	1,007,609	0.7
Research and development expenses	2,731,664	1.6	2,636,020	1.6
	4,497,151	2.7	4,334,440	2.7
Net operating income	2,085,882	1.2	2,755,485	1.7
Non-operating income and expenses:				
Other gains and losses	(120,370)	(0.1)	189,440	0.1
Other income	357,230	0.2	633,934	0.4
Interest expense	(130,188)	(0.1)	(128,047)	(0.1)
Miscellaneous disbursements	(2,905)	-	(10,979)	-
Share of loss of associates and joint ventures accounted for using equity method	(421,522)	(0.2)	(509,838)	(0.3)
Total non-operating income and expenses	(317,755)	(0.2)	174,510	0.1
Profit before tax	1,768,127	1.0	2,929,995	1.8
Tax expense	379,694	0.2	718,167	0.4
Profit	1,388,433	0.8	2,211,828	1.4
Other comprehensive income:				
Other comprehensive income, before tax, exchange differences on translation	1,217,709	0.7	(928,599)	(0.6)
Other comprehensive income, before tax, available-for-sale financial assets	989,278	0.6	1,000,049	0.6
Share of other comprehensive income of associates and joint ventures accounted for using equity method	167,391	0.1	(75,263)	-
Income tax relating to components of other comprehensive income	53,185	-	6,996	-
Other comprehensive income, net	2,321,193	1.4	(10,809)	-
Comprehensive income	\$ 3,709,626	2.2	2,201,019	1.4
Profit, attributable to:				
Profit, attributable to owners of parent	\$ 1,356,343	0.8	1,901,457	1.2
Profit, attributable to non-controlling interests	32,090	-	310,371	0.2
	\$ 1,388,433	0.8	2,211,828	1.4
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	\$ 3,635,529	2.2	1,928,696	1.2
Comprehensive income, attributable to non-controlling interests	74,097	-	272,323	0.2
	\$ 3,709,626	2.2	2,201,019	1.4
Earnings per share:				
Basic earnings per share	\$ 0.31		0.44	
Diluted earnings per share	\$ 0.31		0.43	

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES
Consolidated statements of changes in equity (Unaudited)
For the three-months ended March 31, 2013 and 2012
(expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of parent											Non-controlling interests	Total equity	
	Retained earnings					Other equity interest					Treasury shares			Total equity attributable to owners of parent
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total Retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest					
Balance on January 1, 2012	\$ 44,002,554	15,889,855	13,878,611	4,825,698	36,260,450	54,964,759	(1,234,125)	(7,286,718)	(8,520,843)	(881,247)	105,455,078	7,985,957	113,441,035	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(3,152)	(3,152)	-	-	-	-	(3,152)	-	(3,152)	
Issuance of shares for employee share options exercised	92,409	119,208	-	-	-	-	-	-	-	-	211,617	-	211,617	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	35,343	35,343	
	44,094,963	16,009,063	13,878,611	4,825,698	36,257,298	54,961,607	(1,234,125)	(7,286,718)	(8,520,843)	(881,247)	105,663,543	8,021,300	113,684,843	
Profit for the three-month ended March 31, 2012	-	-	-	-	1,901,457	1,901,457	-	-	-	-	1,901,457	310,371	2,211,828	
Other comprehensive income	-	-	-	-	-	-	(936,737)	963,976	27,239	-	27,239	(38,048)	(10,809)	
Comprehensive income	-	-	-	-	1,901,457	1,901,457	(936,737)	963,976	27,239	-	1,928,696	272,323	2,201,019	
Balance on March 31, 2012	\$ 44,094,963	16,009,063	13,878,611	4,825,698	38,158,755	56,863,064	(2,170,862)	(6,322,742)	(8,493,604)	(881,247)	107,592,239	8,293,623	115,885,862	
Balance on January 1, 2013	\$ 44,126,526	16,122,810	14,980,079	8,713,018	31,360,844	55,053,941	(3,134,265)	(5,248,132)	(8,382,397)	(881,247)	106,039,633	8,753,637	114,793,270	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	69,823	-	-	-	-	-	-	-	-	69,823	98,151	167,974	
Changes in equity of associates and joint ventures accounted for using equity method	-	(8,982)	-	-	-	-	-	-	-	-	(8,982)	-	(8,982)	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	36,103	36,103	
	44,126,526	16,183,651	14,980,079	8,713,018	31,360,844	55,053,941	(3,134,265)	(5,248,132)	(8,382,397)	(881,247)	106,100,474	8,887,891	114,988,365	
Profit for the three-month ended March 31, 2013	-	-	-	-	1,356,343	1,356,343	-	-	-	-	1,356,343	32,090	1,388,433	
Other comprehensive income	-	-	-	-	-	-	1,287,259	991,927	2,279,186	-	2,279,186	42,007	2,321,193	
Comprehensive income	-	-	-	-	1,356,343	1,356,343	1,287,259	991,927	2,279,186	-	3,635,529	74,097	3,709,626	
Balance on March 31, 2013	\$ 44,126,526	16,183,651	14,980,079	8,713,018	32,717,187	56,410,284	(1,847,006)	(4,256,205)	(6,103,211)	(881,247)	109,736,003	8,961,988	118,697,991	

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES
Consolidated statements of cash flows (Unaudited)
For the three-months ended March 31, 2013 and 2012
(expressed in thousands of New Taiwan dollars, except net income per share amounts)

	2013	2012
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,768,127	2,929,995
Adjustments:		
Depreciation and amortization	1,593,177	1,259,680
Increase (decrease) in allowances for uncollectible accounts and allowance for sales returns and discounts	(36,156)	78,717
Interest expense	130,188	128,047
Interest income	(144,186)	(238,524)
Compensation cost of employee share options	47,284	21,560
Share of loss (profit) of associates and joint ventures accounted for using equity method	421,522	509,838
Gain on disposal of property, plan and equipment	(46,627)	(3,186)
Gain on disposal of investments	(118,545)	-
Long-term prepaid rents	3,910	3,142
Adjustments to reconcile profit	<u>1,850,567</u>	<u>1,759,274</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Changes in financial assets and liabilities at fair value through profit or loss	16,622	81,776
Decrease (increase) in notes and accounts receivable	5,328,446	(8,332,186)
Decrease (increase) in other receivable	163,399	96,777
Decrease (increase) in inventories	961,113	3,161,055
Decrease (increase) in other current assets	(113,311)	28,507
Total changes in operating assets	<u>6,356,269</u>	<u>(4,964,071)</u>
Changes in operating liabilities:		
Increase (decrease) in notes and accounts payable	(6,126,761)	717,240
Increase (decrease) in other payable	985,196	(287,737)
Increase (decrease) in unearned revenue	6,843	(450,536)
Others	152,303	(150,558)
Total changes in operating liabilities	<u>(4,982,419)</u>	<u>(171,591)</u>
Total changes in operating assets and liabilities	<u>1,373,850</u>	<u>(5,135,662)</u>
Total adjustments	<u>3,224,417</u>	<u>(3,376,388)</u>
Cash flows from (used in) operations	4,992,544	(446,393)
Interest received	124,148	227,702
Interest paid	(109,183)	(121,015)
Income taxes paid	(92,523)	(682,857)
Net Cash flows from (used in) operating activities	<u>4,914,986</u>	<u>(1,022,563)</u>
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method and available-for-sale financial assets	(521,001)	(536,453)
Proceeds from disposal of available-for-sale financial assets	439,389	-
Proceeds from capital reduction of investments	6,667	-
Acquisition of property, plant and equipment	(1,421,609)	(1,009,476)
Proceeds from disposal of property, plant and equipment	216,069	10,894
Acquisition of intangible assets	(49,058)	(307,382)
Others	(6,321)	16,034
Net cash flows from (used in) investing activities	<u>(1,335,864)</u>	<u>(1,826,383)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(5,319,773)	5,077,166
Proceeds from long-term debt	143,274	-
Repayments of long-term debt	-	(20,500)
Exercise of employee share options	-	211,617
Disposal of ownership interests in subsidiaries (without losing control)	141,517	-
Change in non-controlling interests	86,931	(24,286)
Others	161,067	(1,473)
Net cash flows from (used in) financing activities	<u>(4,786,984)</u>	<u>5,242,524</u>
Effect of exchange rate changes on cash and cash equivalents	551,663	(564,618)
Net increase (decrease) in cash and cash equivalents	(656,199)	1,828,960
Cash and cash equivalents at beginning of period	44,154,582	52,348,302
Cash and cash equivalents at end of period	<u>\$ 43,498,383</u>	<u>54,177,262</u>