

**Reviewed only, not audited in accordance with generally accepted auditing standards as of September 30, 2014 and 2013**  
**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Balance Sheets**

**September 30, 2014, December 31 and September 30, 2013**  
**(Expressed in Thousands of New Taiwan Dollars)**

	2014.9.30	2013.12.31	2013.9.30		2014.9.30	2013.12.31	2013.9.30
<b>Assets</b>				<b>Liabilities and Equity</b>			
<b>Current assets :</b>				<b>Current liabilities :</b>			
Cash and cash equivalents	\$ 1,965,197	1,966,881	2,822,770	Accounts payable	\$ 1,078,151	635,119	652,669
Current financial assets at fair value through profit or loss	1,168,335	1,162,001	797,611	Other payables	965,459	1,028,229	1,154,798
Current available-for-sale financial assets	703,797	584,716	533,611	Long-term liabilities, current portion	1,059,444	545,444	1,059,444
Accounts receivable, net	1,017,400	650,438	692,851	Other current liabilities	<u>121,660</u>	<u>118,656</u>	<u>92,414</u>
Inventories	1,642,214	1,126,775	1,642,119	<b>Total current liabilities</b>	<u>3,224,714</u>	<u>2,327,448</u>	<u>2,959,325</u>
Other current assets	<u>599,580</u>	<u>198,153</u>	<u>183,867</u>	<b>Non-current liabilities :</b>			
<b>Total current assets</b>	<u>7,096,523</u>	<u>5,688,964</u>	<u>6,672,829</u>	Long-term borrowings	2,937,839	3,721,466	3,720,505
<b>Non-current assets :</b>				Deferred tax liabilities	28,381	20,642	19,714
Non-current available-for-sale financial assets	667,988	489,152	520,084	Other non-current liabilities	<u>162,021</u>	<u>150,371</u>	<u>161,534</u>
Non-current bond investment without active market	159,600	190,000	190,000	<b>Total non-current liabilities</b>	<u>3,128,241</u>	<u>3,892,479</u>	<u>3,901,753</u>
Investments accounted for using equity method	370,483	386,229	247,470	<b>Total liabilities</b>	<u>6,352,955</u>	<u>6,219,927</u>	<u>6,861,078</u>
Property, plant and equipment	11,906,537	12,636,304	12,253,046	<b>Equity :</b>			
Investment property	1,092,491	1,096,479	1,097,808	Ordinary share	7,420,685	7,392,754	7,586,262
Intangible assets	58,669	64,248	68,639	Capital surplus	3,766,215	3,728,358	3,812,033
Deferred tax assets	72,139	132,425	141,068	Retained earnings	3,968,010	3,671,483	3,751,970
Prepayments for business facilities	181,988	384,446	752,269	Other equity interest	<u>141,690</u>	<u>98,982</u>	<u>(25,107)</u>
Other non-current assets	<u>43,137</u>	<u>43,257</u>	<u>43,023</u>	<b>Total equity</b>	<u>15,296,600</u>	<u>14,891,577</u>	<u>15,125,158</u>
<b>Total non-current assets</b>	<u>14,553,032</u>	<u>15,422,540</u>	<u>15,313,407</u>	<b>Total liabilities and equity</b>	<u>\$ 21,649,555</u>	<u>21,111,504</u>	<u>21,986,236</u>
<b>Total assets</b>	<u>\$ 21,649,555</u>	<u>21,111,504</u>	<u>21,986,236</u>				

**Reviewed only, not audited in accordance with generally accepted auditing standards**  
**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Statements of Comprehensive Income**

**For the periods from July 1 to September 30, 2014 and 2013,  
and for the nine months ended September 30, 2014 and 2013**

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
<b>Operating revenue</b>	\$ 3,068,956	2,523,129	7,197,148	8,554,913
<b>Operating costs</b>	<u>(1,932,004)</u>	<u>(1,764,944)</u>	<u>(4,698,293)</u>	<u>(5,835,265)</u>
<b>Gross profit from operations</b>	<u>1,136,952</u>	<u>758,185</u>	<u>2,498,855</u>	<u>2,719,648</u>
<b>Operating expenses :</b>				
Selling expenses	(38,138)	(31,966)	(101,629)	(97,503)
Administrative expenses	(133,343)	(108,624)	(333,143)	(378,828)
Research and development expenses	<u>(99,997)</u>	<u>(132,699)</u>	<u>(426,043)</u>	<u>(378,003)</u>
<b>Total operating expenses</b>	<u>(271,478)</u>	<u>(273,289)</u>	<u>(860,815)</u>	<u>(854,334)</u>
<b>Net operating income</b>	<u>865,474</u>	<u>484,896</u>	<u>1,638,040</u>	<u>1,865,314</u>
<b>Non-operating income and expenses :</b>				
Other income	57,173	43,409	81,828	69,261
Other gains and losses	(7,647)	(26,485)	48,593	315,487
Finance costs	(12,068)	(19,188)	(38,371)	(67,231)
Share of loss of associates and joint ventures accounted for using equity method	<u>(13,705)</u>	<u>(29,198)</u>	<u>(15,746)</u>	<u>(77,391)</u>
<b>Total non-operating income and expenses</b>	<u>23,753</u>	<u>(31,462)</u>	<u>76,304</u>	<u>240,126</u>
<b>Profit before tax</b>	889,227	453,434	1,714,344	2,105,440
Total tax expense	<u>(136,158)</u>	<u>(104,758)</u>	<u>(308,019)</u>	<u>(419,989)</u>
<b>Profit</b>	<u>753,069</u>	<u>348,676</u>	<u>1,406,325</u>	<u>1,685,451</u>
<b>Other comprehensive income (loss) :</b>				
Other comprehensive income, before tax, exchange differences on translation	6,632	(4,680)	7,118	4,652
Other comprehensive income, before tax, available-for-sale financial assets	(80,200)	(45,005)	35,590	123,283
Income tax benefit relating to components of other comprehensive income	<u>-</u>	<u>1,093</u>	<u>-</u>	<u>1,096</u>
<b>Other comprehensive income, net</b>	<u>(73,568)</u>	<u>(48,592)</u>	<u>42,708</u>	<u>129,031</u>
<b>Comprehensive income</b>	<u>\$ 679,501</u>	<u>300,084</u>	<u>1,449,033</u>	<u>1,814,482</u>
<b>Profit, attributable to :</b>				
<b>Profit, attributable to owners of parent</b>	<u>\$ 753,069</u>	<u>348,676</u>	<u>1,406,325</u>	<u>1,685,451</u>
<b>Comprehensive income attributable to :</b>				
<b>Comprehensive income, attributable to owners of parent</b>	<u>\$ 679,501</u>	<u>300,084</u>	<u>1,449,033</u>	<u>1,814,482</u>
<b>Earnings per common share (expressed in dollars)</b>				
<b>Basic earnings per share</b>	<u>\$ 1.02</u>	<u>0.46</u>	<u>1.90</u>	<u>2.23</u>
<b>Diluted earnings per share</b>	<u>\$ 1.01</u>	<u>0.46</u>	<u>1.88</u>	<u>2.19</u>

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**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Statements of Changes in Equity**

**For the nine months ended September 30, 2014 and 2013**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings						Other equity interest			Total equity attributable to owners of parent	Non - controlling interests	Total equity
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for- sale financial assets	Total			
<b>Balance on January 1, 2013</b>	\$ 7,541,877	3,763,045	258,703	221,662	2,722,399	3,202,764	(24,741)	(129,397)	(154,138)	14,353,548	-	14,353,548
Appropriation of 2012 earnings approved by stockholders during their meeting in 2013												
Legal reserve	-	-	164,753	-	(164,753)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,136,245)	(1,136,245)	-	-	-	(1,136,245)	-	(1,136,245)
Reversal of special reserve	-	-	-	(187,647)	187,647	-	-	-	-	-	-	-
	-	-	164,753	(187,647)	(1,113,351)	(1,136,245)	-	-	-	(1,136,245)	-	(1,136,245)
Net income for the nine months ended September 30, 2013	-	-	-	-	1,685,451	1,685,451	-	-	-	1,685,451	-	1,685,451
Other comprehensive income for the nine months ended September 30, 2013	-	-	-	-	-	-	4,652	124,379	129,031	129,031	-	129,031
Total comprehensive income for the nine months ended September 30, 2013	-	-	-	-	1,685,451	1,685,451	4,652	124,379	129,031	1,814,482	-	1,814,482
Exercise of employee stock options	44,385	45,364	-	-	-	-	-	-	-	89,749	-	89,749
Compensation cost arising from employee stock options	-	3,624	-	-	-	-	-	-	-	3,624	-	3,624
<b>Balance on September 30, 2013</b>	<b>\$ 7,586,262</b>	<b>3,812,033</b>	<b>423,456</b>	<b>34,015</b>	<b>3,294,499</b>	<b>3,751,970</b>	<b>(20,089)</b>	<b>(5,018)</b>	<b>(25,107)</b>	<b>15,125,158</b>	<b>-</b>	<b>15,125,158</b>
<b>Balance on January 1, 2014</b>	<b>\$ 7,392,754</b>	<b>3,728,358</b>	<b>423,456</b>	<b>34,015</b>	<b>3,214,012</b>	<b>3,671,483</b>	<b>(17,413)</b>	<b>116,395</b>	<b>98,982</b>	<b>14,891,577</b>	<b>-</b>	<b>14,891,577</b>
Appropriation of 2013 earnings approved by stockholders during their meeting in 2014												
Legal reserve	-	-	181,151	-	(181,151)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,109,798)	(1,109,798)	-	-	-	(1,109,798)	-	(1,109,798)
Reversal of special reserve	-	-	-	(34,015)	34,015	-	-	-	-	-	-	-
	-	-	181,151	(34,015)	(1,256,934)	(1,109,798)	-	-	-	(1,109,798)	-	(1,109,798)
Net income for the nine months ended September 30, 2014	-	-	-	-	1,406,325	1,406,325	-	-	-	1,406,325	-	1,406,325
Other comprehensive income for the nine months ended September 30, 2014	-	-	-	-	-	-	7,118	35,590	42,708	42,708	-	42,708
Total comprehensive income for the nine months ended September 30, 2014	-	-	-	-	1,406,325	1,406,325	7,118	35,590	42,708	1,449,033	-	1,449,033
Exercise of employee stock options	27,931	32,234	-	-	-	-	-	-	-	60,165	-	60,165
Compensation cost arising from employee stock options	-	5,623	-	-	-	-	-	-	-	5,623	-	5,623
<b>Balance on September 30, 2014</b>	<b>\$ 7,420,685</b>	<b>3,766,215</b>	<b>604,607</b>	<b>-</b>	<b>3,363,403</b>	<b>3,968,010</b>	<b>(10,295)</b>	<b>151,985</b>	<b>141,690</b>	<b>15,296,600</b>	<b>-</b>	<b>15,296,600</b>

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**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Statements of Cash Flows**

**For the nine months ended September 30, 2014 and 2013**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2014</b>	<b>2013</b>
<b>Cash flows from (used in) operating activities :</b>		
<b>Profit before tax</b>	\$ 1,714,344	2,105,440
<b>Adjustments :</b>		
Adjustments to reconcile profit (loss) :		
Depreciation expense	1,386,049	1,337,350
Amortization expense	23,050	29,506
Net gain on financial assets or liabilities at fair value through profit or loss	(90,792)	(392,624)
Interest expense	38,371	67,231
Interest income	(12,190)	(11,690)
Dividend income	(46,020)	(33,847)
Share-based payments	5,623	3,624
Share of loss of associates and joint ventures accounted for using equity method	15,746	77,391
Loss (gain) on disposal of property, plant and equipment	17	(306,531)
Loss on disposal of investments	44,306	377,187
Property, plant and equipment transferred to expense	-	20,691
Total adjustments to reconcile profit (loss)	<u>1,364,160</u>	<u>1,168,288</u>
Changes in operating assets and liabilities :		
Changes in operating assets :		
Current financial assets at fair value through profit or loss	(166,770)	-
Accounts receivable, net	(366,962)	356,504
Inventories	(436,683)	462,734
Other current assets	(137,174)	171,001
Total changes in operating assets	<u>(1,107,589)</u>	<u>990,239</u>
Changes in operating liabilities :		
Accounts payable	443,032	(469,198)
Other payables	(3,672)	207,039
Other current liabilities	3,004	14,075
Other non-current liabilities	1,650	1,295
Total changes in operating liabilities	<u>444,014</u>	<u>(246,789)</u>
Total changes in operating assets and liabilities	<u>(663,575)</u>	<u>743,450</u>
Cash inflow generated from operations	2,414,929	4,017,178
Dividends received	375	-
Income taxes paid	(288,988)	(128,916)
<b>Net cash flows from operating activities</b>	<u>2,126,316</u>	<u>3,888,262</u>
<b>Cash flows from (used in) investing activities :</b>		
Acquisition of current financial assets at fair value through profit or loss	(2,962,756)	(1,340,000)
Proceeds from disposal of current financial assets at fair value through profit or loss	2,823,248	2,103,554
Acquisition of current available-for-sale financial assets	(265,935)	(184,535)
Proceeds from disposal of current available for sale financial assets	4,928	150,049
Acquisition of non-current available-for-sale financial assets	(12,000)	(25,000)
Proceeds from disposal of non-current available-for-sale financial assets	5,170	88,046
Proceeds from disposal of non-current bond investments without active market	30,400	344,783
Proceeds from disposal of investments accounted for using equity method	-	21,626
Acquisition of property, plant and equipment	(393,290)	(2,101,972)
Proceeds from disposal of property, plant and equipment	-	511,286
Acquisition of intangible assets	(11,852)	(11,363)
Decrease (increase) in other non-current assets	120	(156)
Increase in prepayments for business facilities	(61,867)	(250,752)
Interest received	11,533	10,773
Dividends received	45,645	33,847
<b>Net cash flows used in investing activities</b>	<u>(786,656)</u>	<u>(649,814)</u>
<b>Cash flows from (used in) financing activities :</b>		
Proceeds from long-term borrowings	529,000	1,050,000
Repayments of long-term borrowings	(802,444)	(3,481,840)
Increase in other non-current liabilities	10,000	110,000
Payment of cash dividends	(1,109,798)	(1,136,245)
Transaction costs of issuance of common stock	-	(10,989)
Exercise of employee stock options	60,165	89,749
Interest paid	(34,699)	(66,066)
<b>Net cash flows used in financing activities</b>	<u>(1,347,776)</u>	<u>(3,445,391)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>6,432</u>	<u>4,056</u>
<b>Net decrease in cash and cash equivalents</b>	(1,684)	(202,887)
<b>Cash and cash equivalents at the beginning of period</b>	<u>1,966,881</u>	<u>3,025,657</u>
<b>Cash and cash equivalents at the end of period</b>	\$ <u>1,965,197</u>	\$ <u>2,822,770</u>