

**Reviewed only, not audited in accordance with generally accepted auditing standards as of March 31, 2014 and 2013**  
**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Balance Sheets**

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

	2014.3.31	2013.12.31	2013.3.31		2014.3.31	2013.12.31	2013.3.31
<b>Assets</b>				<b>Liabilities and Equity</b>			
<b>Current assets :</b>				<b>Current liabilities :</b>			
Cash and cash equivalents	\$ 1,693,712	1,966,881	3,614,417	Short-term borrowings	\$ -	-	63,414
Current financial assets at fair value through profit or loss	1,771,971	1,162,001	1,682,835	Accounts payable	636,667	635,119	1,109,709
Current available-for-sale financial assets	668,189	584,716	610,105	Other payables	871,476	1,028,229	1,045,721
Notes and accounts receivable, net	616,735	650,438	1,049,930	Long-term liabilities, current portion	545,444	545,444	1,442,241
Inventories	1,047,447	1,126,775	2,412,182	Other current liabilities	<u>86,949</u>	<u>118,656</u>	<u>86,181</u>
Other current assets	<u>309,931</u>	<u>198,153</u>	<u>332,226</u>	<b>Total current liabilities</b>	<u>2,140,536</u>	<u>2,327,448</u>	<u>3,747,266</u>
<b>Total current assets</b>	<u>6,107,985</u>	<u>5,688,964</u>	<u>9,701,695</u>	<b>Non-current liabilities :</b>			
<b>Non-current assets :</b>				Long-term borrowings	3,723,575	3,721,466	5,499,735
Non-current available-for-sale financial assets	556,064	489,152	508,044	Deferred tax liabilities	20,610	20,642	23,937
Non-current bond investment without active market	190,000	190,000	534,783	Other non-current liabilities	<u>150,909</u>	<u>150,371</u>	<u>160,807</u>
Investments accounted for using equity method	380,247	386,229	306,945	<b>Total non-current liabilities</b>	<u>3,895,094</u>	<u>3,892,479</u>	<u>5,684,479</u>
Property, plant and equipment	12,446,953	12,636,304	11,433,502	<b>Total liabilities</b>	<u>6,035,630</u>	<u>6,219,927</u>	<u>9,431,745</u>
Investment property	1,095,150	1,096,479	1,100,466	<b>Equity :</b>			
Intangible assets	57,811	64,248	72,465	Ordinary share	7,401,960	7,392,754	7,574,570
Deferred tax assets	117,153	132,425	223,890	Capital surplus	3,738,567	3,728,358	3,806,061
Prepayments for business facilities	285,984	384,446	842,507	Retained earnings	3,884,863	3,671,483	3,992,755
Other non-current assets	<u>43,155</u>	<u>43,257</u>	<u>42,756</u>	Other equity interest	<u>219,482</u>	<u>98,982</u>	<u>(38,078)</u>
<b>Total non-current assets</b>	<u>15,172,517</u>	<u>15,422,540</u>	<u>15,065,358</u>	<b>Total equity</b>	<u>15,244,872</u>	<u>14,891,577</u>	<u>15,335,308</u>
<b>Total assets</b>	\$ <u>21,280,502</u>	<u>21,111,504</u>	<u>24,767,053</u>	<b>Total liabilities and equity</b>	\$ <u>21,280,502</u>	<u>21,111,504</u>	<u>24,767,053</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 three months ended March 31, 2014 and 2013**

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

	<b>2014</b>	<b>2013</b>
<b>Operating revenue</b>	\$ 1,667,026	2,848,050
<b>Operating costs</b>	<u>(1,166,863)</u>	<u>(1,931,989)</u>
<b>Gross profit from operations</b>	<u>500,163</u>	<u>916,061</u>
<b>Operating expenses :</b>		
Selling expenses	(34,003)	(33,207)
Administrative expenses	(93,951)	(132,684)
Research and development expenses	<u>(168,673)</u>	<u>(134,251)</u>
<b>Total operating expenses</b>	<u>(296,627)</u>	<u>(300,142)</u>
<b>Net operating income</b>	<u>203,536</u>	<u>615,919</u>
<b>Non-operating income and expenses :</b>		
Other income	11,950	12,329
Other gains and losses	54,363	400,326
Finance costs	(13,892)	(25,812)
Share of loss of associates and joint ventures accounted for using equity method	<u>(5,982)</u>	<u>(17,916)</u>
<b>Total non-operating income and expenses</b>	<u>46,439</u>	<u>368,927</u>
<b>Profit before tax</b>	249,975	984,846
Total tax expense	<u>(36,595)</u>	<u>(194,855)</u>
<b>Profit</b>	<u>213,380</u>	<u>789,991</u>
<b>Other comprehensive income:</b>		
Other comprehensive income, before tax, exchange differences on translation	7,268	7,545
Other comprehensive income, before tax, available-for-sale financial assets	113,232	108,456
Income tax benefit related to components of other comprehensive income	<u>-</u>	<u>59</u>
<b>Other comprehensive income, net</b>	<u>120,500</u>	<u>116,060</u>
<b>Comprehensive income</b>	<u>\$ 333,880</u>	<u>906,051</u>
<b>Profit, attributable to :</b>		
<b>Profit, attributable to owners of parent</b>	<u>\$ 213,380</u>	<u>789,991</u>
<b>Comprehensive income attributable to :</b>		
<b>Comprehensive income, attributable to owners of parent</b>	<u>\$ 333,880</u>	<u>906,051</u>
<b>Earnings per common share (expressed in dollars)</b>		
<b>Basic earnings per share</b>	<u>\$ 0.29</u>	<u>1.04</u>
<b>Diluted earnings per share</b>	<u>\$ 0.29</u>	<u>1.03</u>

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**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Statements of Changes in Equity**

**For the three months ended March 31, 2014 and 2013**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<u>Retained earnings</u>					<u>Other equity interest</u>			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
Net income for the three months ended March 31, 2013	-	-	-	-	789,991	789,991	-	-	-	789,991	-	789,991
Other comprehensive income for the three months ended March 31, 2013	-	-	-	-	-	-	7,545	108,515	116,060	116,060	-	116,060
Total comprehensive income for the three months ended March 31, 2013	-	-	-	-	789,991	789,991	7,545	108,515	116,060	906,051	-	906,051
Exercise of employee stock options	32,693	38,434	-	-	-	-	-	-	-	71,127	-	71,127
Compensation cost arising from employee stock options	-	4,582	-	-	-	-	-	-	-	4,582	-	4,582
<b>Balance on March 31, 2013</b>	<b>\$ 7,574,570</b>	<b>3,806,061</b>	<b>258,703</b>	<b>221,662</b>	<b>3,512,390</b>	<b>3,992,755</b>	<b>(17,196)</b>	<b>(20,882)</b>	<b>(38,078)</b>	<b>15,335,308</b>	<b>-</b>	<b>15,335,308</b>
<b>Balance on January 1, 2014</b>	\$ 7,392,754	3,728,358	423,456	34,015	3,214,012	3,671,483	(17,413)	116,395	98,982	14,891,577	-	14,891,577
Net income for the three months ended March 31, 2014	-	-	-	-	213,380	213,380	-	-	-	213,380	-	213,380
Other comprehensive income for the three months ended March 31, 2014	-	-	-	-	-	-	7,268	113,232	120,500	120,500	-	120,500
Total comprehensive income for the three months ended March 31, 2014	-	-	-	-	213,380	213,380	7,268	113,232	120,500	333,880	-	333,880
Exercise of employee stock options	9,206	9,790	-	-	-	-	-	-	-	18,996	-	18,996
Compensation cost arising from employee stock options	-	419	-	-	-	-	-	-	-	419	-	419
<b>Balance on March 31, 2014</b>	<b>\$ 7,401,960</b>	<b>3,738,567</b>	<b>423,456</b>	<b>34,015</b>	<b>3,427,392</b>	<b>3,884,863</b>	<b>(10,145)</b>	<b>229,627</b>	<b>219,482</b>	<b>15,244,872</b>	<b>-</b>	<b>15,244,872</b>

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**WIN Semiconductors Corp. and Subsidiaries**

**Condensed Consolidated Statements of Cash Flows**

**For the three months ended March 31, 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>	\$ 249,975	984,846
<b>Adjustments :</b>		
Adjustments to reconcile profit (loss) :		
Depreciation expense	458,862	441,706
Amortization expense	8,386	10,918
Net gain on financial assets or liabilities at fair value through profit or loss	(121,108)	(332,792)
Interest expense	13,892	25,812
Interest income	(3,330)	(4,155)
Dividend income	(616)	(424)
Share-based payments	419	4,582
Share of loss of associates and joint ventures accounted for using equity method	5,982	17,916
Gain on disposal of property, plant and equipment	-	(306,531)
Loss on disposal of investments	54,753	334,478
Total adjustments to reconcile profit	<u>417,240</u>	<u>191,510</u>
Changes in operating assets and liabilities :		
Changes in operating assets :		
Notes and accounts receivable, net	33,703	(575)
Inventories	79,328	(305,785)
Other current assets	(112,701)	23,388
Total changes in operating assets	<u>330</u>	<u>(282,972)</u>
Changes in operating liabilities :		
Accounts payable	1,548	(12,158)
Other payables	(109,191)	159,279
Other current liabilities	(31,707)	7,842
Other non-current liabilities	538	568
Total changes in operating liabilities	<u>(138,812)</u>	<u>155,531</u>
Total changes in operating assets and liabilities	<u>(138,482)</u>	<u>(127,441)</u>
Cash inflow generated from operations	528,733	1,048,915
Income taxes paid	(317)	(394)
<b>Net cash flows from operating activities</b>	<u>528,416</u>	<u>1,048,521</u>
<b>Cash flows from (used in) investing activities :</b>		
Acquisition of current financial assets at fair value through profit or loss	(904,256)	(700,000)
Proceeds from disposal of current financial assets at fair value through profit or loss	361,151	558,198
Acquisition of current available-for-sale financial assets	(45,772)	(43,125)
Acquisition of non-current available-for-sale financial assets	-	(25,000)
Proceeds from disposal of non-current available-for-sale financial assets	2,648	30,992
Proceeds from disposal of investments accounted for using equity method	-	21,626
Acquisition of property, plant and equipment	(215,725)	(600,960)
Proceeds from disposal of property, plant and equipment	-	511,251
Acquisition of intangible assets	(495)	(1,034)
Decrease in other non-current assets	102	111
Increase in prepayments for business facilities	(16,656)	(174,201)
Interest received	2,938	3,700
Dividends received	616	-
<b>Net cash flows used in investing activities</b>	<u>(815,449)</u>	<u>(418,442)</u>
<b>Cash flows from (used in) financing activities :</b>		
Proceeds from short-term borrowings	-	63,414
Proceeds from long-term borrowings	529,000	1,050,000
Repayments of long-term borrowings	(529,722)	(1,317,892)
Increase in other non-current liabilities	-	110,000
Exercise of employee share options	18,996	71,127
Interest paid	(10,935)	(24,625)
<b>Net cash flows (used in) financing activities</b>	<u>7,339</u>	<u>(47,976)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>6,525</u>	<u>6,657</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(273,169)	588,760
<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><b>1,693,712</b></u>	\$ <u><b>3,614,417</b></u>