

**SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2014, DECEMBER 31, 2013, AND JUNE 30, 2013**  
(In Thousands of New Taiwan Dollars)

Item	06, 30, 2014	12, 31, 2013	06, 30, 2013	Item	06, 30, 2014	12, 31, 2013	06, 30, 2013
<b>Assets</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Liabilities &amp; Equity</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
<b>Current Assets</b>				<b>Current Liabilities</b>			
Cash and cash equivalents	\$ 1,203,559	\$ 1,012,860	\$ 847,481	Notes and accounts payable	\$282,284	\$ 239,106	\$ 335,931
Available-for-sale financial assets - current	94,710	169,868	463,653	Other payables	802,145	232,721	769,626
Debt investments with no active market	1,111,872	1,080,226	1,033,517	Current Income tax liabilities	43,199	78,107	39,467
Notes and accounts receivable, net	570,768	486,594	632,757	Other current liabilities	6,379	5,706	7,166
Inventories	398,640	294,364	351,939	<b>Total current liabilities</b>	<b>1,134,007</b>	<b>555,640</b>	<b>1,152,190</b>
Other current assets	54,967	47,539	48,066	<b>Non-current liabilities</b>			
<b>Total Current Assets</b>	<b>3,434,516</b>	<b>3,091,451</b>	<b>3,377,413</b>	Provisions-non-current	8,605	7,833	10,005
<b>Non-Current Assets</b>				Deferred tax liabilities	324	968	-
Financial assets carried at cost - noncurrent	34	34	34	Accrued pension liabilities	20,104	20,590	24,394
Investments accounted for using equity method	44,259	46,895	56,936	Guarantee deposit received	56,483	54,793	55,157
Property, plant & equipment	467,459	472,408	466,731	Total Non-current liabilities	85,516	84,184	89,556
Investment property, net	197,491	199,276	208,369	<b>Total liabilities</b>	<b>1,219,523</b>	<b>639,824</b>	<b>1,241,746</b>
Intangible assets	61,219	64,044	69,798	<b>Equity</b>			
Deferred tax assets	32,977	30,843	80,449	Share Capital	1,678,770	1,678,770	1,678,770
Refundable deposit	6,577	5,875	5,244	Capital Surplus	62,661	62,661	62,661
<b>Total non-current assets</b>	<b>810,016</b>	<b>819,375</b>	<b>887,561</b>	Retained Earnings			
				Legal reserve	887,026	835,545	835,545
				Special reserve	7,616	228	228
				Unappropriated earnings	392,864	701,414	451,816
				Total retained earnings	1,287,506	1,537,187	1,287,589
				Other Equity	( 3,928)	( 7,616)	( 5,792)
				<b>Total Equity</b>	<b>3,025,009</b>	<b>3,271,002</b>	<b>3,023,228</b>
<b>Total Assets</b>	<b>\$ 4,244,532</b>	<b>\$ 3,910,826</b>	<b>\$ 4,264,974</b>	<b>Total Liabilities &amp; equity</b>	<b>\$ 4,244,532</b>	<b>\$ 3,910,826</b>	<b>\$ 4,264,974</b>

**SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS AND THE SIX MONTH ENDED JUNE 30, 2014 AND**  
**2013**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	For the Three Months ended June 30				For the Six Months ended June 30			
	2014		2013		2014		2013	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
OPERATING REVENUE	\$1,021,915	100	\$1,000,652	100	\$1,811,401	100	\$1,776,938	100
OPERATING COSTS	<u>575,114</u>	<u>56</u>	<u>574,872</u>	<u>57</u>	<u>1,031,014</u>	<u>57</u>	<u>1,025,548</u>	<u>58</u>
GROSS PROFIT	<u>446,801</u>	<u>44</u>	<u>425,780</u>	<u>43</u>	<u>780,387</u>	<u>43</u>	<u>751,390</u>	<u>42</u>
OPERATING EXPENSES								
Selling and marketing expenses	17,822	2	16,790	2	33,900	2	32,363	2
General and administrative expenses	30,288	3	29,780	3	57,366	3	54,550	3
Research and development expenses	<u>199,864</u>	<u>20</u>	<u>190,075</u>	<u>19</u>	<u>375,284</u>	<u>21</u>	<u>359,597</u>	<u>20</u>
Total operating expenses	<u>247,974</u>	<u>25</u>	<u>236,645</u>	<u>24</u>	<u>466,550</u>	<u>26</u>	<u>446,510</u>	<u>25</u>
PROFIT FROM OPERATIONS	<u>198,827</u>	<u>19</u>	<u>189,135</u>	<u>19</u>	<u>313,837</u>	<u>17</u>	<u>304,880</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES								
Interest Income	5,491	1	4,900	-	10,733	1	10,022	1
Rent income	2,573	-	2,737	-	5,158	-	5,605	-
Other income	2,180	-	2,041	-	4,403	-	4,387	-
Share of the profit or loss of associates and joint ventures	(1,030)	-	(1,540)	-	(2,636)	-	(1,562)	-
Exchange gain-net	(10,656)	(1)	5,880	1	182	-	14,752	1
Other Expenses	<u>( 605)</u>	<u>-</u>	<u>( 1,166)</u>	<u>-</u>	<u>(1,067)</u>	<u>-</u>	<u>(1,492)</u>	<u>-</u>
Total non-operating income and expenses	<u>( 2,047)</u>	<u>-</u>	<u>12,852</u>	<u>1</u>	<u>16,773</u>	<u>1</u>	<u>31,712</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	196,780	19	201,987	20	330,610	18	336,592	19
INCOME TAX EXPENSE	<u>( 26,082)</u>	<u>(2)</u>	<u>( 45,030)</u>	<u>(4)</u>	<u>(43,084)</u>	<u>(2)</u>	<u>(68,649)</u>	<u>(4)</u>
NET PROFIT FOR THE PERIOD	<u>170,698</u>	<u>17</u>	<u>156,957</u>	<u>16</u>	<u>287,526</u>	<u>16</u>	<u>267,943</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME								
Exchange differences on translating foreign operations	(5,292)	(1)	3,533	-	(630)	-	8,819	1
Unrealized gain (loss) on available-for-sale financial assets	<u>457</u>	<u>-</u>	<u>( 559)</u>	<u>-</u>	<u>4,318</u>	<u>-</u>	<u>(1,300)</u>	<u>-</u>
Other comprehensive income for the period, net of income tax	<u>(4,835)</u>	<u>(1)</u>	<u>2,974</u>	<u>-</u>	<u>3,688</u>	<u>-</u>	<u>7,519</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$165,863</u>	<u>16</u>	<u>\$159,931</u>	<u>16</u>	<u>\$291,214</u>	<u>16</u>	<u>\$275,462</u>	<u>16</u>
EARNINGS PER SHARE								
Basic	<u>\$ 1.02</u>		<u>\$ 0.93</u>		<u>\$ 1.71</u>		<u>\$ 1.60</u>	
Diluted	<u>\$ 1.00</u>		<u>\$ 0.91</u>		<u>\$ 1.68</u>		<u>\$ 1.55</u>	

**SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTH ENDED JUNE 30, 2014 AND 2013**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	<b>For the Six Months ended June 30</b>	
	<u>2014</u>	<u>2013</u>
Net cash generated from operating activities	<u>169,615</u>	<u>107,747</u>
Net cash generated from (used in) investing activities	<u>17,765</u>	<u>(73,392)</u>
Net cash generated from financing activities	<u>2,504</u>	<u>8,067</u>
Effect of Exchange Rate Changes On The Balance Of Cash Held In Foreign Currencies	<u>815</u>	<u>3,443</u>
Net Increase in Cash and Cash equivalent	190,699	45,865
Cash and Cash equivalent, beginning of period	<u>1,012,860</u>	<u>801,616</u>
Cash and Cash equivalent, end of the period	<u>\$ 1,203,559</u>	<u>\$ 847,481</u>