

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
September,30, 2014, December, 31, 2013, September, 30, 2013
(Reviewed) (In Thousands of New Taiwan Dollars, Except Par Value)

Item	09, 30, 2014	12, 31, 2013	09, 30, 2013	Item	09, 30, 2014	12, 31, 2013	09, 30, 2013
Assets	Amount	Amount	Amount	Liabilities & Equity	Amount	Amount	Amount
Current Assets				Current Liabilities			
Cash and cash equivalents	\$ 675,839	\$ 1,012,860	\$ 872,804	Notes and accounts payable	\$264,703	\$ 239,106	\$ 246,546
Available-for-sale financial assets - current	93,350	169,868	225,326	Other payables	244,840	232,721	238,356
Debt investments with no active market	1,261,752	1,080,226	930,080	Current Income tax liabilities	26,170	78,107	58,206
Notes and accounts receivable, net	491,960	486,594	494,238	Other current liabilities	<u>4,577</u>	<u>5,706</u>	<u>3,866</u>
Inventories	409,581	294,364	328,882	Total current liabilities	<u>540,290</u>	<u>555,640</u>	<u>546,974</u>
Other current assets	<u>61,822</u>	<u>47,539</u>	<u>53,012</u>	Non-current liabilities			
Total Current Assets	<u>2,994,304</u>	<u>3,091,451</u>	<u>2,904,342</u>	Provisions-non-current	8,990	7,833	10,452
Non-Current Assets				Deferred tax liabilities	330	968	-
Financial assets carried at cost - noncurrent	34	34	34	Accrued pension liabilities	19,865	20,590	24,139
Investments accounted for using equity method	43,877	46,895	55,351	Guarantee deposit received	<u>60,887</u>	<u>54,793</u>	<u>56,186</u>
Property, plant & equipment	456,323	472,408	474,791	Total Non-current liabilities	<u>90,072</u>	<u>84,184</u>	<u>90,777</u>
Investment property, net	197,091	199,276	207,325	Total liabilities	<u>630,362</u>	<u>639,824</u>	<u>637,751</u>
Intangible assets	59,517	64,044	66,021	Equity			
Deferred tax assets	30,559	30,843	52,296	Share Capital	<u>1,678,770</u>	<u>1,678,770</u>	<u>1,678,770</u>
Refundable deposit	<u>7,150</u>	<u>5,875</u>	<u>5,183</u>	Capital Surplus	<u>62,661</u>	<u>62,661</u>	<u>62,661</u>
Total non-current assets	<u>794,551</u>	<u>819,375</u>	<u>861,001</u>	Retained Earnings			
				Legal reserve	887,026	835,545	835,545
				Special reserve	7,616	228	228
				Unappropriated earnings	<u>524,293</u>	<u>701,414</u>	<u>565,951</u>
				Total retained earnings	<u>1,418,935</u>	<u>1,537,187</u>	<u>1,401,724</u>
				Other Equity	<u>(1,873)</u>	<u>(7,616)</u>	<u>(15,563)</u>
				Total Equity	<u>3,158,493</u>	<u>3,271,002</u>	<u>3,177,592</u>
Total Assets	<u>\$ 3,788,855</u>	<u>\$ 3,910,826</u>	<u>\$ 3,765,343</u>	Total Liabilities & equity	<u>\$ 3,788,855</u>	<u>\$ 3,910,826</u>	<u>\$ 3,765,343</u>

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND THE NINE MONTHS ENDED September 30, 2014
AND 2013

(Expressed in Thousands of New Taiwan Dollars, Except Net Income Per Share)

(Reviewed, Not Audited)

	From July 1 st to September 30 th				From January 1 st to September 30 th			
	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	\$905,388	100	\$929,352	100	\$2,716,789	100	\$2,706,290	100
OPERATING COSTS	<u>520,715</u>	<u>57</u>	<u>531,807</u>	<u>57</u>	<u>1,551,729</u>	<u>57</u>	<u>1,557,355</u>	<u>58</u>
GROSS PROFIT	<u>384,673</u>	<u>43</u>	<u>397,545</u>	<u>43</u>	<u>1,165,060</u>	<u>43</u>	<u>1,148,935</u>	<u>42</u>
OPERATING EXPENSES								
Selling and marketing expenses	18,633	2	18,370	2	52,533	2	50,733	2
General and administrative expenses	30,418	4	30,159	4	87,784	3	84,709	3
Research and development expenses	<u>202,749</u>	<u>23</u>	<u>195,688</u>	<u>21</u>	<u>578,033</u>	<u>21</u>	<u>555,285</u>	<u>20</u>
Total operating expenses	<u>251,800</u>	<u>28</u>	<u>244,217</u>	<u>27</u>	<u>718,350</u>	<u>26</u>	<u>690,727</u>	<u>25</u>
PROFIT FROM OPERATIONS	<u>132,873</u>	<u>15</u>	<u>153,328</u>	<u>16</u>	<u>446,710</u>	<u>17</u>	<u>458,208</u>	<u>17</u>
NONOPERATING INCOME AND EXPENSES								
Interest Income	4,945	1	4,350	1	15,678	1	14,372	1
Rent income	2,562	-	1,034	1	7,720	-	6,639	-
Other income	2,842	-	2,818	-	7,245	-	7,205	-
Share of the profit or loss of associates and joint ventures	(382)	-	(1,585)	-	(3,018)	-	(3,147)	-
Gain on disposal of investments	309	1	8,902	1	309	-	8,902	-
Exchange gain -net	10,731	-	(6,462)	(1)	10,913	-	8,290	-
Other Expenses	<u>(363)</u>	-	<u>(413)</u>	-	<u>(1,430)</u>	-	<u>(1,905)</u>	-
Total non-operating income and expenses	<u>20,644</u>	<u>2</u>	<u>8,644</u>	<u>1</u>	<u>37,417</u>	<u>1</u>	<u>40,356</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	153,517	17	161,972	17	484,127	18	498,564	18
INCOME TAX EXPENSE	<u>(22,088)</u>	<u>(2)</u>	<u>(47,837)</u>	<u>(5)</u>	<u>(65,172)</u>	<u>(2)</u>	<u>(116,486)</u>	<u>(4)</u>
NET PROFIT FOR THE PERIOD	<u>131,429</u>	<u>15</u>	<u>114,135</u>	<u>12</u>	<u>418,955</u>	<u>16</u>	<u>382,078</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME								
Exchange differences on translating foreign operations	3,361	-	(2,954)	-	2,731	-	5,865	-
Unrealized gain (loss) on available-for-sale financial assets	<u>(1,306)</u>	-	<u>(6,817)</u>	<u>(1)</u>	<u>3,012</u>	-	<u>(8,117)</u>	-
Other comprehensive income for the period, net of income tax	<u>2,055</u>	-	<u>(9,771)</u>	<u>(1)</u>	<u>5,743</u>	-	<u>(2,252)</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$133,484</u>	<u>15</u>	<u>\$104,364</u>	<u>12</u>	<u>\$424,698</u>	<u>16</u>	<u>\$379,826</u>	<u>14</u>
EARNINGS PER SHARE								
Basic	<u>\$ 0.78</u>		<u>\$ 0.68</u>		<u>\$ 2.50</u>		<u>\$2.28</u>	
Diluted	<u>\$ 0.77</u>		<u>\$ 0.67</u>		<u>\$ 2.44</u>		<u>\$ 2.21</u>	

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED September 2014 and September 2013

(Expressed in Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<u>2014</u>	<u>2013</u>
Net cash generated from operating activities	<u>330,272</u>	<u>314,689</u>
Net cash generated from (used in) investing activities	<u>(137,155)</u>	<u>248,995</u>
Net cash generated from financing activities	<u>(531,369)</u>	<u>(494,718)</u>
Effect of Exchange Rate Changes On The Balance Of Cash Held In Foreign Currencies	<u>1,231</u>	<u>2,222</u>
Net Increase(Decrease) in Cash and Cash equivalent	(337,021)	71,188
Cash and Cash equivalent, Beginning of Period	<u>1,012,860</u>	<u>801,616</u>
Cash and Cash equivalent, End of Period	<u>\$ 675,839</u>	<u>\$ 872,804</u>