

Financial Statement Balance Sheet

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2015/03/31	2014/12/31	2014/03/31
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	25,544,721	21,608,816	19,364,665
Current financial assets at fair value through profit or loss			
Total current financial assets at fair value through profit or loss	774,022	708,358	645,571
Current bond investment without active market			
Total Current investments in debt instrument without active market	706,973	739,166	992,483
Accounts receivable, net			
Accounts receivable, net	2,282,022	2,682,182	2,570,216
Accounts receivable due from related parties, net			
Accounts receivable due from related parties, net	787,492	984,894	914,304
Other receivables			
Other receivables, net	385,042	269,816	200,494
Inventories			
Total inventories	4,280,571	3,882,455	2,945,223
Prepayments			
Total prepayments	93,958	78,053	198,749
Other current assets			
Total other current assets	2,945,568	2,443,411	1,137,757
Total current assets	37,800,369	33,397,151	28,969,462
Non-current assets			
Non-current available-for-sale financial assets			
Non-current available-for-sale financial assets, net	1,112,012	1,097,794	804,212
Held-to-maturity non-current financial assets			
Non-current held-to-maturity financial assets, net	405,450	409,205	318,496
Non-current financial assets at cost			
Non-current financial assets at cost, net	845,868	853,943	995,228

Investments accounted for using equity method			
Investments accounted for using equity method, net	152,835	159,803	288,176
Property, plant and equipment			
Total property, plant and equipment	3,264,965	3,368,689	3,608,768
Investment property, net			
Investment property, net	78,953	80,828	80,326
Intangible assets			
Total intangible assets	1,578,832	1,470,394	1,180,423
Deferred tax assets	119,612	150,085	36,372
Other non-current assets			
Total other non-current assets	96,831	86,686	80,008
Total non-current assets	7,655,358	7,677,427	7,392,009
Total assets	45,455,727	41,074,578	36,361,471
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	12,818,217	7,457,525	7,049,190
Notes payable			
Total notes payable	5,256	4,654	4,962
Accounts payable			
Total accounts payable	3,717,194	4,568,045	3,377,904
Accounts payable to related parties			
Total accounts payable to related parties	256,820	320,415	344,343
Other payables			
Total other payables	4,380,239	4,983,596	3,608,928
Other payables to related parties	31,954	41,657	33,522
Current tax liabilities	425,566	380,926	160,024
Other current liabilities			
Total other current liabilities	69,797	44,217	70,736
Total current liabilities	21,705,043	17,801,035	14,649,609
Non-current liabilities			
Non-current provisions			
Total non-current provisions	1,042,535	1,021,342	903,117

Deferred tax liabilities			
Total deferred tax liabilities	3,582	27,450	8,871
Other non-current liabilities			
Total other non-current liabilities	99,870	118,595	138,580
Total non-current liabilities	1,145,987	1,167,387	1,050,568
Total liabilities	22,851,030	18,968,422	15,700,177
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	5,049,513	5,049,513	5,049,513
Total capital stock	5,049,513	5,049,513	5,049,513
Capital surplus			
Capital surplus, additional paid-in capital			
Total capital surplus, additional paid-in capital	4,405,169	4,405,169	4,406,855
Capital surplus, changes in equity of associates and joint ventures accounted for using equity method	0	0	0
Total capital surplus	4,405,169	4,405,169	4,406,855
Retained earnings			
Legal reserve	3,191,846	3,191,846	2,888,304
Special reserve	124,338	124,338	533,055
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	8,974,582	8,233,387	7,580,490
Total retained earnings	12,290,766	11,549,571	11,001,849
Other equity interest			
Exchange differences on translation of foreign financial statements			
Total exchange differences on translation of foreign financial statements	767,330	1,025,339	123,336
Unrealized gains (losses) on available-for-sale financial assets			
Total unrealized gains (losses) on available-for-sale financial assets	82,253	66,813	69,848
Total other equity interest	849,583	1,092,152	193,184
Total equity attributable to owners of parent	22,595,031	22,096,405	20,651,401
Non-controlling interests	9,666	9,751	9,893
Total equity	22,604,697	22,106,156	20,661,294
Total liabilities and equity	45,455,727	41,074,578	36,361,471

Number of share capital awaiting retirement	0	0	0
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0

Financial Statement Income Statement

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2015/01/01 To 2015/03/31	2014/01/01 To 2014/03/31
Statement of comprehensive income		
Operating revenue		
Total operating revenue	7,446,052	7,325,508
Operating costs		
Total operating costs	4,158,585	4,112,823
Gross profit (loss) from operations	3,287,467	3,212,685
Gross profit (loss) from operations	3,287,467	3,212,685
Operating expenses		
Selling expenses		
Total selling expenses	385,944	416,992
Administrative expenses		
Total administrative expenses	280,774	270,830
Research and development expenses		
Total research and development expenses	1,988,304	1,736,850
Total operating expenses	2,655,022	2,424,672
Net other income (expenses)		
Net other income (expenses)	1,753	1,656
Net operating income (loss)	634,198	789,669
Non-operating income and expenses		
Other income		
Total other income	207,203	147,791
Other gains and losses		
Other gains and losses, net	307	20,451
Finance costs		

Finance costs, net	28,738	27,833
Share of profit (loss) of associates and joint ventures accounted for using equity method		
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	-7,162	-18,340
Total non-operating income and expenses	171,610	122,069
Profit (loss) from continuing operations before tax	805,808	911,738
Tax expense (income)		
Total tax expense (income)	64,698	91,725
Profit (loss) from continuing operations	741,110	820,013
Profit (loss)	741,110	820,013
Other comprehensive income		
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation	-258,009	260,694
Unrealised gains (losses) on valuation of available-for-sale financial assets	15,246	55,281
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	194	1,547
Components of other comprehensive income that will be reclassified to profit or loss	-242,569	317,522
Other comprehensive income, net	-242,569	317,522
Total comprehensive income	498,541	1,137,535
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	741,195	820,022
Profit (loss), attributable to non-controlling interests	-85	-9
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	498,626	1,137,544
Comprehensive income, attributable to non-controlling interests	-85	-9
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	1.47	1.62
Total basic earnings per share	1.47	1.62
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	1.43	1.59
Total diluted earnings per share	1.43	1.59

Financial Statement Statements of Cash Flows

Financial year: Yearly
Unit: NT\$ thousand

Accounting Title	2015/01/01 To 2015/03/31	2014/01/01 To 2014/03/31
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	805,808	911,738
Profit (loss) before tax	805,808	911,738
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	135,683	148,092
Amortization expense	189,309	137,425
Provision (reversal of provision) for bad debt expense	-4,905	-2,124
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-6,308	-4,007
Interest expense	28,738	27,833
Interest income	-180,899	-121,255
Share of loss (profit) of associates and joint ventures accounted for using equity method	7,162	18,340
Loss (gain) on disposal of property, plan and equipment	-1,960	48
Loss (gain) on disposal of investments	0	-221,708
Total adjustments to reconcile profit (loss)	166,820	-17,356
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	-66,886	-489,868
Decrease (increase) in accounts receivable	405,065	555,993
Decrease (increase) in accounts receivable due from related parties	197,402	18,050
Decrease (increase) in other receivable	-47,361	-26,944
Decrease (increase) in inventories	-398,116	-154,361
Decrease (increase) in prepayments	-15,905	-78,508
Total changes in operating assets	74,199	-175,638
Changes in operating liabilities		
Increase (decrease) in notes payable	602	680
Increase (decrease) in accounts payable	-850,851	491,288
Increase (decrease) in accounts payable to related parties	-63,595	-18,229

Increase (decrease) in other payable	-408,963	-62,776
Increase (decrease) in other payable to related parties	-9,703	4,600
Increase (decrease) in receipts in advance	24,353	-40,809
Increase (decrease) in other current liabilities	25,580	-12
Increase (decrease) in net defined benefit liability	-11,283	-9,734
Increase (decrease) in other operating liabilities	21,193	46,560
Total changes in operating liabilities	-1,272,667	411,568
Total changes in operating assets and liabilities	-1,198,468	235,930
Total adjustments	-1,031,648	218,574
Cash inflow (outflow) generated from operations	-225,840	1,130,312
Interest received	113,034	112,643
Interest paid	-23,725	-22,075
Income taxes refund (paid)	0	0
Net cash flows from (used in) operating activities	-136,531	1,220,880
Cash flows from (used in) investing activities		
Proceeds from disposal of available-for-sale financial assets	0	0
Acquisition of investments in debt instrument without active market	0	0
Proceeds from disposal of investments in debt instrument without active market	25,325	290,478
Acquisition of held-to-maturity financial assets	0	-74,903
Proceeds from disposal of held-to-maturity financial assets	0	154,503
Proceeds from capital reduction of financial assets at cost	0	0
Acquisition of investments accounted for using equity method	0	-40,000
Proceeds from disposal of investments accounted for using equity method	0	263,910
Acquisition of property, plant and equipment	-108,027	-733,044
Proceeds from disposal of property, plant and equipment	2,000	0
Increase in refundable deposits	-403	-30,532
Acquisition of intangible assets	-449,766	-235,409
Increase in other financial assets	-502,157	1,009,715
Increase in other non-current assets	-9,742	3,678
Net cash flows from (used in) investing activities	-1,042,770	608,396
Cash flows from (used in) financing activities		
Increase in short-term loans	5,332,691	836,422
Decrease in guarantee deposits received	-7,442	-102
Net cash flows from (used in) financing activities	5,325,249	836,320

Effect of exchange rate changes on cash and cash equivalents	-210,043	183,448
Net increase (decrease) in cash and cash equivalents	3,935,905	2,849,044
Cash and cash equivalents at beginning of period	21,608,816	16,515,621
Cash and cash equivalents at end of period	25,544,721	19,364,665
Cash and cash equivalents reported in the statement of financial position	25,544,721	19,364,665

Financial Statement Statements of Changes in Stockholders' Equity

Financial year: Yearly

Unit: NT\$ thousand

2015/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	5,049,513	5,049,513	4,405,169	3,191,846	124,338	8,233,387	11,549,571	1,025,339	66,813	1,092,152	22,096,405	9,751	22,106,156
Profit (loss)	0	0	0	0	0	741,195	741,195	0	0	0	741,195	-85	741,110
Other comprehensive income	0	0	0	0	0	0	0	-258,009	15,440	-242,569	-242,569	0	-242,569
Total comprehensive income	0	0	0	0	0	741,195	741,195	-258,009	15,440	-242,569	498,626	-85	498,541
Total increase (decrease) in equity	0	0	0	0	0	741,195	741,195	-258,009	15,440	-242,569	498,626	-85	498,541
Equity at end of period	5,049,513	5,049,513	4,405,169	3,191,846	124,338	8,974,582	12,290,766	767,330	82,253	849,583	22,595,031	9,666	22,604,697

2014/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial	Unrealized gains (losses) on available-for-sale financial	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
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								statements	assets				
Equity at beginning of period	5,049,513	5,049,513	4,406,855	2,888,304	533,055	6,760,468	10,181,827	-137,358	13,020	124,338	19,513,857	9,902	19,523,759
Other comprehensive income	0	0	0	0	0	0	0	260,694	56,828	317,522	317,522	0	317,522
Total comprehensive income	0	0	0	0	0	0	0	260,694	56,828	317,522	317,522	0	317,522
Changes in non-controlling interests	0	0	0	0	0	820,022	820,022	0	0	0	820,022	-9	820,013
Total increase (decrease) in equity	0	0	0	0	0	820,022	820,022	260,694	56,828	317,522	1,137,544	-9	1,137,535
Equity at end of period	5,049,513	5,049,513	4,406,855	2,888,304	533,055	7,580,490	11,001,849	123,336	69,848	193,184	20,651,401	9,893	20,661,294

Financial Statement Independent Auditors' Report

Financial year: Yearly

Unit: NT\$ thousand

Report of Independent Auditors	
Name of CPA Firm	Price waterhouseCoopers'
Name of CPA 1	Li Tien-Yi
Name of CPA 2	Tsang Kwok-Wah
Date of Audit (Review)	2015-04-27
Type of Report	
Review Report	Y
Type of Opinion	
Qualified Opinion	Y
Situations for not Issuing a Standard Unqualified Opinion	
Financial statements of non-major subsidiary or investment accounted for using equity method have not been audited or reviewed	Y
Description of Matter Emphasized	
Description of Other Matter	
	We have reviewed the accompanying consolidated balance sheets of Realtek Semiconductor Corporation

Content of Independent Auditors Report

and subsidiaries (the Company) as of March 31, 2015 and 2014, and the related consolidated statements of comprehensive income, of changes in equity and cash flows for the three-month periods ended March 31 2015 and 2014. These financial consolidated statements are the responsibility of the Company's management. Our responsibility is to express a conclusion of these financial statements based on our reviews. Except for the facts stated in the third paragraph, we conducted our reviews in accordance with the guidelines of ROC Statement on Auditing Standards No.36 (ROC SAS No. 36), "Engagements To Review Financial Statements". Those guidelines require that we plan and perform the review, which consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion. As stated in disclosure 13 related to the non-major subsidiaries and long-term investments accounted under the equity method is based on the investee companies financial statements without review procedures conducted by independent auditors. The total assets of certain subsidiaries amounted to NT\$8,630,648 thousand and NT\$3,942,407 thousand, or 18.99% and 10.84% of the total consolidated assets as of March 31, 2015 and 2014, respectively, and the total liabilities amounted to NT\$3,365,542 thousand and NT\$1,035,699 thousand, or 14.73% and 6.60% of the total consolidated liabilities as of March 31, 2015 and 2014, respectively. The total revenues amounted to NT\$1,555,636 thousand and NT\$1,197,962 thousand, or 20.89% and 16.35% of the total consolidated revenues for three-month period ended. In addition, the long-term investments accounted for under the equity method amounted to NT\$152,835 thousand and NT\$288,176 thousand as of March 31, 2015 and 2014, respectively, and the related investment loss were NT \$ (7,162) thousand and NT\$ (18,340) thousand for three-month period ended. Based on our reviews, we are not aware of any modifications that should be made, in any material respects, to the financial statements referred to in the first paragraph in order for them to be in conformity with the "Rules Governing the Preparation of Financial Statements of Securities Issuers" and International Accounting Standard 34 "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission, except for the effect of such adjustments, if any, as

	might have been determined to be necessary had the subsidiaries and investee companies?? financial statements as stated in the third paragraph been reviewed.
Ending balance of assets of subsidiaries whose financial statements were audited or reviewed by other independent accountants	0
Total year-to-date revenues of subsidiaries whose financial statements were audited or reviewed by other independent accountants	0
Ending balance of investments accounted for using equity method whose financial statements were audited or reviewed by other independent accountants	0
Share of year-to-date profit (loss) of associates and joint ventures accounted for using equity method which audited by other independent accountants	0
Ending balance of assets of subsidiaries whose financial statements were on unaudited or unreviewed	8630648000
Year-to-date comprehensive income of subsidiaries whose financial statements were unaudited or unreviewed	194000
Ending balance of investments accounted for using equity method whose financial statements were unaudited or unreviewed	152835000
Share of year-to-date profit (loss) of associates and joint ventures accounted for using equity method whose financial statements were unaudited or unreviewed	-7162000