



Handbook for the 2017 Annual Meeting of Shareholders

(TRANSLATION)

Meeting Date: June 15, 2017

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MediaTek Inc.
Procedure for the 2017 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman Remarks
3. Report Items
4. Acknowledgements
5. Proposed Resolutions and Election
6. Extemporaneous Motions
7. Meeting Adjourned

MediaTek Inc.
Year 2017
Agenda of Annual Meeting of Shareholders

Time: 9:00 a.m., June 15, 2017 (Thursday)

Venue: International Convention Center, MediaTek

No. 1, Dusing 1st Road, Hsinchu Science Park, Hsinchu City, Taiwan R.O.C.

Agenda:

1. Call the meeting to order
2. Chairman remarks
3. Report Items
 - (1). 2016 business report
 - (2). Audit Committee's review report on the 2016 financial statements
 - (3). Report on 2016 employees' compensation and remuneration to directors
4. Acknowledgements
 - (1). Adoption of the 2016 business report and financial statements
 - (2). Adoption of the proposal for distribution of 2016 profits
5. Proposed Resolutions and Election
 - (1). Discussion of cash distribution from capital reserve
 - (2). Amendments to the company's "Articles of Incorporation"
 - (3). Amendments to the company's "Procedures Governing the Acquisition or Disposition of Assets"
 - (4). Election of one independent director to fill the existing vacancy and of one director to fill the additional board seat
 - (5). Suspension of the non-competition restriction on the company's directors
6. Extemporary Motions
7. Meeting Adjourned

Report Items

Report item (1)

Proposed by the Board of Directors

Subject: MediaTek's 2016 business report.

Descriptions: MediaTek's 2016 business report is attached on page 10, Attachment 1.

Report item (2)

Proposed by the Board of Directors

Subject: Audit Committee's review report on the 2016 financial statements.

Descriptions: 2016 Audit Committee's review report is attached on page 11, Attachment 2.

Report item (3)

Proposed by the Board of Directors

Subject: Report on 2016 employees' compensation and remuneration to directors.

Descriptions:

- (1). According to Article 24 of the Company's Articles of Incorporation, if there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 0.5% of the profit as remuneration to directors, provided that the Company's accumulated losses shall have been covered in advance.
- (2). The Board has adopted a proposal for distribution of 2016 profit as follows: employees' compensation is NT\$309,130,408 and the remuneration to directors is NT\$ 42,661,077; both shall be paid in cash.

Acknowledgements

Acknowledgement (1)

Proposed by the Board of Directors

Subject: Adoption of the 2016 business report and financial statements.

Descriptions:

- (1). MediaTek's 2016 financial statements, including the balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, were audited by independent auditors Jia-Ling Tu and Chin-Lai Wang of Ernst & Young.
- (2). For the 2016 business report, independent auditors' report and the aforementioned financial statements, please refer to page 10, Attachment 1, page 12-21, Attachment 3, and page 22-31, Attachment 4.

Resolution:

Acknowledgement (2)

Proposed by the Board of Directors

Subject: Adoption of the proposal for distribution of 2016 profits.

Descriptions:

- (1). The proposal for distribution of 2016 profits has been approved by the Board of Directors in the 15th Board Meeting of the 7th session.
- (2). Please refer to the 2016 profit distribution table below:

Descriptions	Amount (NTD)	Remarks
Unappropriated retained earnings of previous years	\$76,593,023,132	
Plus: Net income of 2016	23,700,598,187	
Less: The differences between the fair value of the consideration paid from acquiring subsidiaries and the carrying amounts of the subsidiaries	(7,915,323,560)	
Less: Actuarial loss on defined benefit plans	(54,015,455)	
Earnings available for distribution	92,324,282,304	
Distribution items:		
Legal reserve	(2,370,059,819)	
Dividend to common shareholders	(12,652,827,048)	Cash dividend of NT\$8 per share; No stock dividend.
Unappropriated retained earnings	<u>77,301,395,437</u>	

Note:

1. Cash dividend distributions are calculated based on MediaTek's outstanding shares of 1,581,603,381 shares as of April 27, 2017.
2. The cash dividends will be distributed to each shareholder based on shareholding percentages, and be rounded down to the nearest dollar. The amounts under one dollar due to the rounding off are summed and recognized as the Company's other income.
3. According to the Board resolution on April 28, 2017, the Chairman is authorized to determine the cash dividend record date and payment date upon the approval of the profit distribution proposal at the Annual Meeting of Shareholders. In the event the number of outstanding shares is affected by the Company's subsequent shares' buyback, transfer or cancellation of treasury stocks, issuance of new shares because of the exercise of employee stock options, issuance or withdraw employee restricted stocks or other causes, the Chairman is authorized to adjust the distribution percentage and other related matters based on the actual number of the outstanding shares on the cash dividend record date.

Chairman: Ming-Kai Tsai

President: Ching-Jiang Hsieh

Chief Financial Officer: David Ku

Resolution:

Proposed Resolutions and Election

Proposal (1)

Proposed by the Board of Directors

Subject: Discussion of cash distribution from capital reserve. Approval is respectfully requested.

Descriptions:

- (1). The Company plans to distribute cash of NT\$2,372,405,072 from the capital reserve in excess of par value, to the shareholders listed on the register of shareholders on the record date and the expected cash per share is NT\$1.5. Cash payment shall be rounded to one NTD (amounts less than one NTD shall be ignored). The amounts under one dollar due to the rounding off are summed and recognized as the Company's other income.
- (2). According to the Board resolution on April 28, 2017, the Chairman is authorized to determine the record date and payment date upon the approval of cash distribution from capital reserve at the Annual Meeting of Shareholders. In the event the number of outstanding shares is affected by the Company's subsequent shares' buyback, transfer or cancellation of treasury stocks, issuance of new shares because of the exercise of employee stock options, issuance or withdraw employee restricted stocks or other causes, the Chairman is authorized to adjust the distribution amount per share and other related matters based on the actual number of the outstanding shares on the record date.

Resolution:

Proposal (2)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Articles of Incorporation". Approval is respectfully requested.

Descriptions:

- (1). In order to confirm to the amendments of relevant laws and regulations, the Company plans to amend the Company's "Articles of Incorporation".
- (2). The comparison table illustrating the original and amended texts of the "Articles of Incorporation" is available on page 32-33, Attachment 5.

Resolution:

Proposal (3)

Proposed by the Board of Directors

Subject: Amendment to the Company's "Procedures Governing the Acquisition or Disposition of Assets ". Approval is respectfully requested.

Descriptions:

- (1). In response to the amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies made by the Financial Supervisory Commission, the Company plans to amend the Company's "Procedures Governing the Acquisition or Disposition of Assets".
- (2). The comparison table illustrating the original and amended texts of the "Procedures Governing the Acquisition or Disposition of Assets" is available on page 34-38, Attachment 6.

Resolution:

Proposal (4)

Proposed by the Board of Directors

Subject: Election of one independent director to fill the existing vacancy and of one director to fill the additional board seat. Election is respectfully requested.

Descriptions:

- (1). Due to that Mr. Tain-Jy Chen resigned from his position as the Independent Director on May 14, 2016, the Company plans to elect one Independent Director to fill the existing vacancy at the shareholders’ meeting in accordance with relevant laws and regulations.
- (2). Furthermore, in order to strengthen the structure of the board of the directors of the Company, the Company plans to elect one Director to fill the additional board seat at the shareholders’ meeting.
- (3). The term of the new Directors will start from June 15, 2017 to June 11, 2018.
- (4). For the list of candidates for the Directors and other relevant information, please refer to page 39, Attachment 7.
- (5). Election is respectfully requested.

Election Results:

Proposal (5)

Proposed by the Board of Directors

Subject: Suspension of the non-competition restriction on the company's directors. Approval is respectfully requested.

Descriptions:

- (1). Pursuant to Article 209 of the Company Act, "a director who engages in any behavior for himself/herself or on behalf of another person that is within the scope of the company's business shall explain the essential contents of such an act to the shareholders’ meeting and obtain its approval."
- (2). Since one or more of director(s) of the Company may engage in the investment in or operation of another company whose scope of business is the same or similar to that of the Company and may serve(s) as a director of that company, we hereby request the meeting of shareholders to approve that in case of the above mentioned situation, the non-competition restriction imposed on the directors and the entity they represent (including the legal representative of the entity if the entity is elected as the Director) be removed in accordance with above mentioned Article 209 of the Company Act.

(3). The new position and company name of the current Director is as follows:

Name	Company Name and Concurrent Position
Ching-Jiang Hsieh	Director, Nephos (Hefei) Co. Ltd

(4). The position and company name of the candidate for the Director is as follows:

Name	Company Name and Concurrent Position
Rick Tsai	Director, Lam Research Corporation

(5). The Company plans to request the shareholders to remove the restriction of non-competition on the above directors. Approval is respectfully requested.

Resolution:

Extemporaneous Motions

Meeting Adjourned

Attachment

Attachment 1

MediaTek Inc. 2016 Business Report

Dear Shareholders:

2016 was a fruitful year for MediaTek in consumer electronic markets. Our revenue increased by approximately 30% from prior year, hitting record high. Despite of global semiconductor market slowdown, various kinds of innovative end applications emerged to unlock growth potential. MediaTek actively responded to changes in the dynamic industry and fierce market competition by continuously expanding product lines as well as technologies diversity to provide customers with the best solutions. Thanks to our employees' dedication, MediaTek achieved full year consolidated net revenues of NT \$275.5 billion and consolidated earnings per share of NT \$15.16.

Having been deeply dedicated to smartphone market for the past five years, MediaTek continued to achieve success in 2016. Thanks to increasing LTE adoption pushed by Chinese operators and growing LTE demand in emerging markets, MediaTek gained market share through the comprehensive product portfolio and reached a record high smartphone plus tablet shipments of approximately 550 million sets. In terms of global market expansion and customer acquisition, MediaTek also achieved several milestones. In US market, LTE products completed four major carriers' qualification and Helio P10-inside world-mode LTE smartphone officially hit the market, making MediaTek successfully become one of the very few chipset vendors supporting CDMA networks. Furthermore, our LTE SoCs were adopted by the leading international brand, Samsung, for the very first time, completing our customer coverage in the world's major Android smartphone brands. In addition, we collaborate with global operators on 5G technology development, including China Mobile, NTT DOCOMO and Nokia, preparing for the next upgrade cycle of mobile communication technologies.

Products other than handset, such as set-up-box and WiFi, also expand market presence. MediaTek is committed to leveraging comprehensive IP portfolio to enable more business opportunities with customers. For example, MediaTek-inside AI smart home control unit, Amazon Echo Dot, was well-received by consumers. Besides, we continue to work closely with global tier-one customers such as Amazon and Sony across platforms including TV, tablet, game console, smart home, IoT, etc. The acquired subsidiaries such as MStar and Richtek also continue to explore more business opportunities to grow. In addition, MediaTek announced to further extend core competencies to the emerging Internet of Vehicles market and strategically allied with NavInfo to strengthen our position.

Apart from business horizon expansion, MediaTek received a number of international honors. We were awarded as "Top 100 Global Innovators" by Clarivate Analytics (formerly Thomson Reuters) for third consecutive year and won "Outstanding Asia-Pacific Semiconductor Company Award" by the Global Semiconductor Alliance (GSA) for the fifth consecutive year. Furthermore, Mr. Ming-Kai Tsai, MediaTek Chairman and CEO, was chosen as one of Harvard Business Review's "100 Best-Performing CEOs in the World".

Looking forward, MediaTek will continue to exploit our group advantages and integrate our comprehensive and leading core technologies such as modem, RF, computing, image processing, connectivity, smart algorithm, etc. Based on which, we actively expand into various smart connected devices as well as potential markets, including 5G, Internet of Vehicles, Internet of Things, VR/AR, Industrial 4.0, etc. to maintain our leading position and create higher shareholder values. Last but not the least, we would like to thank you - our shareholders - for your continuous support and belief in our efforts.

Chairman: Ming-Kai Tsai

President: Ching-Jiang Hsieh

Chief Financial Officer: David Ku

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2016 business report, financial statements, and proposal for allocation of profits. The CPA firm of Ernst & Young was retained to audit MediaTek's financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and profit allocation proposal have been reviewed by the Audit Committee and no irregularities were found. We hereby report as above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please kindly approve.

To MediaTek Inc. 2017 Annual General Shareholders' Meeting

MediaTek Inc.

Chairman of the Audit Committee: Chung-Yu Wu

April 28, 2017

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To the Board of Directors and Shareholders
of MediaTek Inc.

Opinion

We have audited the accompanying consolidated balance sheets of MediaTek Inc. and its subsidiaries as of December 31, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2016 and 2015, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of MediaTek Inc. and its subsidiaries as of December 31, 2016 and 2015, and their consolidated financial performance and cash flows for the years ended December 31, 2016 and 2015, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of MediaTek Inc. and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2016 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

MediaTek Inc. and its subsidiaries recognized NT\$275,511,714 thousand as net sales, which includes sale of goods in the amount of NT\$307,199,463 thousand, other operating revenues in the amount of NT\$1,577,448 thousand, and sales returns and discounts in the amount of NT\$33,265,197 thousand for the year ended December 31, 2016. The sale of goods is sale of chips and due to large transaction volume, if the sale is recognized in an improper period, it can have significant impacts on consolidated statements. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; performing test of details on samples selected from top ten customers and reviewing the significant terms of sales agreements and tracing to relevant documentation of transactions; adopting audit sampling on trade receivables and performing confirmation procedures on final balance and key terms of sales agreements; and regarding transaction of some time before and after the reporting date, analyzing the reasonableness of fluctuations and selecting samples to perform cutoff procedures, tracing to relevant documentation to verify that revenue has been recorded in the correct accounting period; besides, we also review if there is condition of significant reversals in subsequent periods.

We also considered the appropriateness of the disclosures of sales. Please refer to Note 6 in notes to consolidated financial statements.

Significant acquisition

Hsu-Si Investment Corp., a subsidiary of MediaTek Inc., accomplished the take-over bid process to acquire 51% shares of Richtek Technology Corp. on October 7, 2015 and the consideration of the tender offer was NT\$14,770,046 thousand in cash. The fair value of the identifiable net assets acquired was NT\$12,694,209 thousand and the goodwill arising from the acquisition was NT\$8,295,999 thousand. Thereafter, Hsu-Si Investment Corp. acquired the rest of 49% shares of Richtek Technology Corp. in 2016. MediaTek Inc. and its subsidiaries recognized the net assets of the take-over bid based on a provisional estimated amount for the year ended December 31, 2015. The aforementioned fair value of net assets were completed in 2016. The amount of the acquisition was significant and was related to assessment of fair value, as a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) assessing the prospective financial information used for preparing the appraisal report on fair value by management and comparing with Richtek Technology Corp.'s historical financial information and the industry expectation in market to evaluate the reasonableness; using internal valuation specialists to assist us in evaluating the appropriateness of the methods and models used by management, reassessing parameters and assumptions used in the appraisal report on fair value, and comparing whether the differences are within our acceptable range to evaluate the reasonableness of key assumptions.

We also considered the appropriateness of the disclosures of business combinations. Please refer to Note 6 in notes to consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of MediaTek Inc. and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate MediaTek Inc. and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of MediaTek Inc. and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of MediaTek Inc. and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of MediaTek Inc. and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MediaTek Inc. and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within MediaTek Inc. and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2016 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion on the parent company only financial statements of MediaTek Inc. as of and for the years ended December 31, 2016 and 2015.

Ernst & Young
CERTIFIED PUBLIC ACCOUNTANTS
March 22, 2017
Taipei, Taiwan
Republic of China

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the R.O.C. and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the R.O.C.

English Translation of Financial Statements Originally Issued in Chinese
MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of December 31, 2016 and 2015
(Amounts in thousands of New Taiwan Dollars)

ASSETS	December 31, 2016	%	December 31, 2015	%
Current assets				
Cash and cash equivalents	140,560,858	38	\$ 153,279,687	44
Financial assets at fair value through profit or loss-current	1,970,502	1	3,836,003	1
Available-for-sale financial assets-current	9,428,674	3	7,763,131	2
Held-to-maturity financial assets-current	-	-	1,257,437	-
Debt instrument investments for which no active market exists-current	1,505,492	-	761,282	-
Notes receivables, net	2,811	-	-	-
Trade receivables, net	20,477,995	6	16,195,318	4
Other receivables	5,497,925	1	2,996,512	1
Current tax assets	357,517	-	319,202	-
Inventories, net	33,922,914	9	24,130,344	7
Prepayments	1,505,221	-	2,192,349	1
Non-current assets held for sale	3,633,726	1	-	-
Other current assets	1,413,935	-	2,141,910	1
Total current assets	<u>220,277,570</u>	<u>59</u>	<u>214,873,175</u>	<u>61</u>
Non-current assets				
Financial assets at fair value through profit or loss-noncurrent	4,997,093	2	5,967,301	2
Available-for-sale financial assets-noncurrent	18,914,717	5	8,698,862	3
Held-to-maturity financial assets-noncurrent	-	-	266,498	-
Financial assets measured at cost-noncurrent	6,895,187	2	4,901,012	1
Debt instrument investments for which no active market exists-noncurrent	257,928	-	261,068	-
Investments accounted for using the equity method	5,905,795	2	2,718,990	1
Property, plant and equipment	36,857,740	10	34,390,077	10
Investment property	651,408	-	275,590	-
Intangible assets	72,014,554	19	75,430,673	21
Deferred tax assets	3,265,695	1	2,997,362	1
Refundable deposits	326,152	-	239,755	-
Net defined benefit assets-noncurrent	2,070	-	-	-
Long-term lease receivables	211,137	-	-	-
Long-term prepaid rent	134,726	-	150,864	-
Other non-current assets-others	-	-	78,429	-
Total non-current assets	<u>150,434,202</u>	<u>41</u>	<u>136,376,481</u>	<u>39</u>
Total assets	<u>\$ 370,711,772</u>	<u>100</u>	<u>\$ 351,249,656</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Ching-jiang Hsieh

Chief Financial Officer : David Ku

English Translation of Financial Statements Originally Issued in Chinese

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

As of December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars)

	Notes	December 31, 2016	%	December 31, 2015	%
LIABILITIES AND EQUITY					
Current liabilities					
Short-term borrowings	6(16)	\$ 54,523,984	15	\$ 49,123,477	14
Financial liabilities at fair value through profit or loss-current	4, 5, 6(2)	45,098	-	32,194	-
Trade payables	7	23,706,560	6	15,511,132	4
Trade payables to related parties	6(17)	923,557	-	645,120	-
Other payables	4, 5, 6(28)	33,937,995	9	31,558,621	9
Current tax liabilities	4, 6(31), 7	3,415,214	1	2,269,892	1
Liabilities directly associated with non-current assets held for sale		675,043	-	-	-
Other current liabilities		2,100,815	1	2,069,823	1
Current portion of long-term liabilities		-	-	56,212	-
Total current liabilities		119,328,266	32	101,266,471	29
Non-current liabilities					
Long-term borrowings	6(18), 8	419,086	-	-	-
Net defined benefit liabilities-noncurrent	4, 6(19)	840,331	-	755,371	-
Deposits received	7	177,512	-	169,738	-
Deferred tax liabilities	4, 5, 6(28)	3,025,449	1	1,814,256	1
Non-current liabilities-others		258,250	-	156,935	-
Total non-current liabilities		4,720,628	1	2,896,300	1
Total liabilities		124,048,894	33	104,162,771	30
Equity attributable to owners of the parent					
Share capital	6(20)				
Common stock		15,821,122	4	15,715,837	5
Capital surplus	6(20), 6(21), 6(32)	89,815,356	24	88,354,178	25
Retained earnings	6(20)				
Legal reserve		34,628,319	10	32,032,476	9
Undistributed earnings		92,324,282	25	96,476,287	27
Other equity	6(21)	12,245,801	3	7,904,918	2
Treasury shares	4, 6(20)	(55,970)	-	(55,970)	-
Equity attributable to owners of the parent		244,778,910	66	240,427,726	68
Non-controlling interests	4, 6(20), 6(33)	1,883,968	1	6,659,159	2
Total equity		246,662,878	67	247,086,885	70
Total liabilities and equity		\$ 370,711,772	100	\$ 351,249,656	100

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Chings-liang Hsieh

Chief Financial Officer : David Ki

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	2016	%	2015	%
Net sales	4, 5, 6(22), 7	\$ 275,511,714	100	\$ 213,255,240	100
Operating costs	4, 5, 6(8), 6(23), 7	(177,321,882)	(64)	(121,075,654)	(57)
Gross profit		98,189,832	36	92,179,586	43
Operating expenses	6(23), 7				
Selling expenses		(12,413,733)	(5)	(9,326,054)	(4)
Administrative expenses		(7,015,080)	(3)	(7,416,797)	(4)
Research and development expenses		(55,685,244)	(20)	(49,528,765)	(23)
Total operating expenses		(75,114,057)	(28)	(66,271,616)	(31)
Operating income		23,075,775	8	25,907,970	12
Non-operating income and expenses					
Other income	4, 6(24), 7	3,485,549	2	3,463,849	2
Other gains and losses	4, 6(25)	544,326	-	(116,187)	-
Finance costs	6(26)	(558,906)	-	(545,218)	-
Share of profit of associates accounted for using the equity method	4, 6(10)	666,141	-	658,079	-
Total non-operating income and expenses		4,137,110	2	3,460,523	2
Net income before income tax		27,212,885	10	29,368,493	14
Income tax expense	4, 5, 6(28)	(3,182,353)	(1)	(3,599,761)	(2)
Net income		24,030,532	9	25,768,732	12
Other comprehensive income	4, 6(10), 6(27), 6(28)				
Not to be reclassified to profit or loss in subsequent periods					
Remeasurements of the defined benefit plan		(65,079)	-	315,416	-
Income tax relating to those items not to be reclassified to profit or loss		11,064	-	(53,621)	-
To be reclassified to profit or loss in subsequent periods					
Exchange differences resulting from translating the financial statements of foreign operations		(4,504,523)	(2)	2,396,294	1
Unrealized losses from available-for-sale financial assets		11,297,597	4	(869,752)	-
Share of other comprehensive income of associates accounted for using the equity method		125,345	-	(100,603)	-
Income tax relating to those items to be reclassified to profit or loss		(1,172,986)	-	(92,904)	-
Other comprehensive income, net of tax		5,691,418	2	1,594,830	1
Total comprehensive income		\$ 29,721,950	11	\$ 27,363,562	13
Net income (loss) for the periods attributable to :					
Owners of the parent	6(29)	\$ 23,700,598		\$ 25,958,429	
Non-controlling interests	6(33)	329,934		(189,697)	
		\$ 24,030,532		\$ 25,768,732	
Total comprehensive income for the periods attributable to :					
Owners of the parent		\$ 29,463,494		\$ 27,527,096	
Non-controlling interests		258,456		(163,534)	
		\$ 29,721,950		\$ 27,363,562	
Basic Earnings Per Share (in New Taiwan Dollars)	6(29)	\$ 15.16		\$ 16.60	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(29)	\$ 15.13		\$ 16.57	

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese
MEDIA TEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2016 and 2015
(Amounts in thousands of New Taiwan Dollars)

Description	Equity attributable to owners of the parent										Non-controlling interests	Total equity		
	Share capital		Retained earnings				Other equity						Treasury shares	Equity attributable to owners of the parent
	Common stock	Capital collected in advance	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains (losses) from a variable-for-sale financial assets	Other					
Balance as of January 1, 2015	\$ 15,714,455	\$ 467	\$ 88,047,914	\$ 27,392,687	\$ 895,749	\$ 108,566,733	\$ 4,218,292	\$ 2,387,821	\$ -	\$ (55,970)	\$ 247,168,148	\$ 437,599	\$ 247,605,747	
Appropriation and distribution of 2014 earnings:	-	-	-	4,639,789	(895,749)	(4,639,789)	-	-	-	-	-	-	-	
Legal reserve	-	-	-	4,639,789	(895,749)	895,749	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	(895,749)	-	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	-	(34,574,697)	-	-	-	-	(34,574,697)	-	(34,574,697)	
Total	-	-	-	4,639,789	(895,749)	(38,318,737)	-	-	-	-	(34,574,697)	-	(34,574,697)	
Profit for the year ended December 31, 2015	-	-	-	-	-	25,958,429	-	-	-	-	25,958,429	(189,697)	25,768,732	
Other comprehensive income for the year ended December 31, 2015	-	-	-	-	-	269,862	2,285,303	(986,498)	-	-	1,568,667	26,163	1,594,830	
Total comprehensive income	-	-	-	-	-	26,228,291	2,285,303	(986,498)	-	-	27,527,096	(163,534)	27,363,562	
Share-based payment transactions	1,382	(467)	37,279	32,032,476	-	-	-	-	-	-	38,194	-	38,194	
Adjustments due to dividends that subsidiaries received from parent company	-	-	171,469	2,595,843	-	-	-	-	-	-	171,469	-	171,469	
The difference between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	(7,322)	(17,287,421)	-	(2,595,843)	-	-	-	-	(7,322)	-	(7,322)	
Changes in ownership interests in subsidiaries	-	-	61,562	2,595,843	-	(17,287,421)	-	-	-	-	61,562	151,275	212,837	
Changes in other capital surplus	-	-	43,276	2,595,843	-	(19,883,264)	-	-	-	-	43,276	-	43,276	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	6,659,159	6,659,159	
Balance as of December 31, 2015	15,715,837	-	88,354,178	32,032,476	-	96,476,287	6,503,595	1,401,323	-	(55,970)	240,427,726	6,659,159	247,086,885	
Appropriation and distribution of 2015 earnings:	-	-	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	2,595,843	-	(2,595,843)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	-	(54,015)	(4,307,700)	10,124,611	-	-	5,762,896	(71,478)	5,691,418	
Total	-	-	-	2,595,843	-	(54,015)	(4,307,700)	10,124,611	-	-	5,762,896	(71,478)	5,691,418	
Profit for the year ended December 31, 2016	-	-	-	-	-	23,700,598	-	-	-	-	23,700,598	329,934	24,030,532	
Other comprehensive income for the year ended December 31, 2016	-	-	-	-	-	(54,015)	(4,307,700)	10,124,611	-	-	5,762,896	(71,478)	5,691,418	
Total comprehensive income	-	-	-	-	-	23,646,583	(4,307,700)	10,124,611	-	-	29,463,494	258,456	29,721,950	
Share-based payment transactions	-	-	10,353	2,595,843	-	-	-	-	-	-	10,353	-	10,353	
Adjustments due to dividends that subsidiaries received from parent company	-	-	85,735	2,595,843	-	-	-	-	-	-	85,735	-	85,735	
The difference between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	(142,643)	(17,287,421)	-	(2,595,843)	-	-	-	-	(6,057,967)	-	(6,057,967)	
Changes in ownership interests in subsidiaries	-	-	(99,948)	(99,948)	-	(7,915,324)	-	-	-	-	(99,948)	220,048	120,100	
Issuance of restricted stock for employees	105,285	-	1,660,064	2,595,843	-	-	-	-	-	-	289,321	-	289,321	
Changes in associates and joint ventures accounted for using the equity method	-	-	(52,383)	(52,383)	-	-	-	-	(1,476,028)	-	(52,383)	-	(52,383)	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(5,253,695)	(5,253,695)	
Balance as of December 31, 2016	\$ 15,821,122	\$ -	\$ 89,815,356	\$ 34,628,319	\$ -	\$ 92,324,282	\$ 2,195,895	\$ 11,525,934	\$ (1,476,028)	\$ (55,970)	\$ 244,778,910	\$ 1,883,968	\$ 246,662,878	

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Chung-Jiang Hsieh

Chief Financial Officer : David Ku

MEDIATEK INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2016 and 2015
(Amounts in thousands of New Taiwan Dollars)

Description	2016	2015
Cash flows from operating activities :		
Profit before tax from continuing operations	\$ 27,212,885	\$ 29,368,493
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	3,061,378	2,076,791
Amortization	3,834,700	3,056,971
Bad debt (reversal) provision	(125,735)	184,018
Losses on financial assets and liabilities at fair value through profit or loss	150,092	136,005
Interest expenses	558,906	545,218
Interest income	(2,517,861)	(2,817,091)
Dividend income	(398,259)	(478,971)
Share-based payment expenses	306,762	37,279
Share of profit of associates accounted for using the equity method	(666,141)	(658,079)
Losses on disposal of property, plant and equipment	15,778	13,405
Losses on disposal of intangible assets	909	-
Gains on disposal of investments	(194,683)	(1,394,606)
Impairment of financial assets	71,172	851,478
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	2,505,819	(2,072,298)
Notes receivables	(2,811)	-
Trade receivables	(3,085,118)	(866,371)
Other receivables	(2,175,536)	2,075,440
Inventories	(8,168,244)	792,360
Prepayments	716,052	162,455
Other current assets	731,009	(489,315)
Other non-current assets-others	78,429	(16,411)
Trade payables	8,004,952	226,012
Trade payables to related parties	288,747	(37,181)
Other payables	2,490,761	(4,247,755)
Other current liabilities	65,439	1,288,894
Long-term payables	(56,212)	(35,770)
Net defined benefit liabilities	13,270	11,161
Non-current liabilities-others	101,315	9,070
Cash generated from operating activities:		
Interest received	1,928,317	3,134,028
Dividend received	591,786	787,318
Interest paid	(561,624)	(533,631)
Income tax paid	(2,228,537)	(7,733,039)
Net cash provided by operating activities	32,547,717	23,375,878
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(7,600,096)	(10,825,598)
Proceeds from disposal of available-for-sale financial assets	7,860,169	6,943,493
Acquisition of debt instrument investments for which no active market exists	(2,581,738)	(2,079,078)
Proceeds from disposal of debt instrument investments for which no active market exists	787,445	2,250,587
Acquisition of held-to-maturity financial assets	-	(1,773,290)
Proceeds from redemption of held-to-maturity financial assets	1,491,256	673,561
Acquisition of financial assets measured at cost	(2,215,603)	(1,518,260)
Proceeds from disposal of financial assets measured at cost	129	33,708
Proceeds from capital return of financial assets measured at cost	38,268	36,340
Acquisition of investments accounted for using the equity method	(4,612,267)	(480,926)
Proceeds from disposal of investments accounted for using the equity method	-	280,103
Proceeds from capital return of investments accounted for using the equity method	-	21,824
Net cash outflow from acquisition of subsidiaries	(2,406,378)	(14,922,171)
Acquisition of property, plant and equipment	(6,671,275)	(9,368,345)
Proceeds from disposal of property, plant and equipment	67,752	21,279
Increase in refundable deposits	(66,503)	(18,088)
Acquisition of intangible assets	(366,912)	(2,025,250)
Acquisition of investment property	(732)	-
Increase in long-term lease receivables	(209,684)	-
Decrease (Increase) in long-term prepaid rent	16,138	(30,944)
Net cash used in investing activities	(16,470,031)	(32,781,055)
Cash flows from financing activities :		
Increase in short-term borrowings	5,455,795	2,395,130
Proceeds from long-term borrowings	124,286	-
Increase in deposits received	7,774	15,382
Proceeds from exercise of employee stock options	-	30,132
Cash dividends	(17,201,686)	(34,403,228)
Acquisition of subsidiaries	(14,184,102)	(266,458)
Change in non-controlling interests	987,964	219,387
Net cash used in financing activities	(24,809,969)	(32,009,655)
Effect of changes in exchange rate on cash and cash equivalents	(3,198,288)	1,897,013
Net decrease in cash and cash equivalents	(11,930,571)	(39,517,819)
Cash and cash equivalents at the beginning of the year	153,279,687	192,797,506
Cash and cash equivalents at the end of the year	\$ 141,349,116	\$ 153,279,687
Reconciliation of the balances of cash and cash equivalents at the end of the year:		
Cash and cash equivalents on the consolidated balance sheets	\$ 140,560,858	\$ 153,279,687
Cash and cash equivalents included in non-current assets held for sale	788,258	-
Cash and cash equivalents at the end of the year	\$ 141,349,116	\$ 153,279,687

The accompanying notes are an integral part of the consolidated financial statements.

Chairman : Ming-Kai Tsai

President : Ching-Jiang Hsieh

Chief Financial Officer : David Ku

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To the Board of Directors and Shareholders
of MediaTek Inc.

Opinion

We have audited the accompanying parent company only balance sheets of MediaTek Inc. as of December 31, 2016 and 2015, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2016 and 2015, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of MediaTek Inc. as of December 31, 2016 and 2015, and its financial performance and cash flows for the years ended December 31, 2016 and 2015, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of MediaTek Inc. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2016 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

MediaTek Inc. and its subsidiaries recognized NT\$121,097,722 thousand as net sales, which includes sale of goods in the amount of NT\$134,144,526 thousand, other operating revenues in the amount of NT\$2,569,536 thousand, and sales returns and discounts in the amount of NT\$15,616,340 thousand for the year ended December 31, 2016. The sale of goods is sale of chips and due to large transaction volume, if the sale is recognized in an improper period, it can have significant impacts on the parent company only financial statements. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; performing test of details on samples selected from top ten customers and reviewing the significant terms of sales agreements and tracing to relevant documentation of transactions; adopting audit sampling on trade receivables and performing confirmation procedures on final balance and key terms of sales agreements; and regarding transaction of some time before and after the reporting date, analyzing the reasonableness of fluctuations and selecting samples to perform cutoff procedures, tracing to relevant documentation to verify that revenue has been recorded in the correct accounting period; besides, we also review if there is condition of significant reversals in subsequent periods.

We also considered the appropriateness of the disclosures of sales. Please refer to Note 6 in notes to the parent company only financial statements.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of MediaTek Inc., disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate MediaTek Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of MediaTek Inc.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of MediaTek Inc.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of MediaTek Inc. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MediaTek Inc. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within MediaTek Inc. and its subsidiaries to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2016 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young
CERTIFIED PUBLIC ACCOUNTANTS
March 22, 2017
Taipei, Taiwan
Republic of China

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying parent company only financial statements are intended only to present the parent company only financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the R.O.C. and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the R.O.C.

MEDIATEK INC.

PARENT COMPANY ONLY BALANCE SHEETS

As of December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars)

ASSETS		December 31, 2016	%	December 31, 2015	%
Current assets		\$	20	\$	26
Cash and cash equivalents	4, 6(1)	60,244,970		74,921,175	
Financial assets at fair value through profit or loss-current	4, 5, 6(2)	492,707	-	164,854	-
Available-for-sale financial assets-current	4, 5, 6(3)	2,198,973	1	1,827,325	1
Held-to-maturity financial assets-current	4, 6(4)	-	-	1,128,925	-
Debt instrument investments for which no active market exists-current	4, 6(5), 8	18,885	-	24,894	-
Trade receivables, net	4, 5, 6(6)	5,806,427	2	4,459,513	1
Trade receivables from related parties	4, 6(6), 7	339,275	-	108,570	-
Other receivables	6(6), 7	5,346,492	2	1,676,068	1
Current tax assets	4, 5, 6(24)	252,867	-	-	-
Inventories, net	4, 5, 6(7)	14,313,326	5	7,679,002	3
Prepayments	6(8)	298,982	-	1,151,231	-
Other current assets		1,310,071	-	1,271,251	-
Total current assets		90,622,975	30	94,412,808	32
Non-current assets					
Financial assets at fair value through profit or loss-noncurrent	4, 5, 6(2)	190,257	-	1,174,384	-
Available-for-sale financial assets-noncurrent	4, 5, 6(3)	3,577,034	1	4,285,729	2
Debt instrument investments for which no active market exists-noncurrent	4, 6(5), 8	22,964	-	9,705	-
Investments accounted for using the equity method	4, 6(9)	167,983,555	55	149,849,491	51
Property, plant and equipment	4, 6(10)	12,331,165	4	10,565,034	4
Intangible assets	4, 6(11), 6(12)	28,504,894	9	29,881,027	10
Deferred tax assets	4, 5, 6(24)	1,541,960	1	1,274,935	1
Refundable deposits		65,942	-	17,380	-
Total non-current assets		214,217,771	70	197,057,685	68
Total assets		\$ 304,840,746	100	\$ 291,470,493	100

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Ching-Jiang Hsieh

Chief Financial Officer : David Ku

English Translation of Financial Statements Originally Issued in Chinese
MEDIATEK INC.

PARENT COMPANY ONLY BALANCE SHEETS

As of December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY		December 31, 2016	%	December 31, 2015	%
Current liabilities					
Short-term borrowings	6(13)	\$ 26,791,570	9	\$ 23,807,520	8
Financial liabilities at fair value through profit or loss-current	4, 5, 6(2)	45,098	-	31,948	-
Trade payables	7	9,479,635	3	5,760,468	2
Trade payables to related parties	6(14), 7	468,694	-	342,812	-
Other payables	4, 5, 6(24)	18,371,524	6	17,424,589	6
Current tax liabilities		1,500,602	1	605,742	-
Other current liabilities		1,142,161	-	1,016,089	1
Current portion of long-term liabilities		-	-	56,212	-
Total current liabilities		57,799,284	19	49,045,380	17
Non-current liabilities					
Net defined benefit liabilities-noncurrent	4, 6(15)	710,590	-	612,336	-
Deposits received	7	52,993	-	52,572	-
Deferred tax liabilities	4, 5, 6(24)	1,498,969	1	1,332,479	1
Total non-current liabilities		2,262,552	1	1,997,387	1
Total liabilities		60,061,836	20	51,042,767	18
Equity					
Share capital	6(16)				
Common stock		15,821,122	5	15,715,837	5
Capital surplus	4, 6(16), 6(17)	89,815,356	30	88,354,178	30
Retained earnings	6(16)	34,628,319	11	32,032,476	11
Legal reserve		92,324,282	30	96,476,287	33
Undistributed earnings	6(16)	12,245,801	4	7,904,918	3
Other equity	4, 6(16)	(55,970)	-	(55,970)	-
Treasury shares		244,778,910	80	240,427,726	82
Total equity					
Total liabilities and equity		\$ 304,840,746	100	\$ 291,470,493	100

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Ching-Jiang Hsieh

Chief Financial Officer : David Ku

MEDIATEK INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	2016	%	2015	%
Net sales	4, 5, 6(18), 7	\$ 121,097,722	100	\$ 99,245,700	100
Operating costs	4, 5, 6(7), 6(19), 7	(82,574,626)	(68)	(49,529,050)	(50)
Gross profit		38,523,096	32	49,716,650	50
Unrealized gross profit on sales		(246,645)	-	-	-
Gross profit, net		38,276,451	32	49,716,650	50
Operating expenses	6(19), 7				
Selling expenses		(6,157,624)	(5)	(5,538,497)	(6)
Administrative expenses		(2,571,665)	(2)	(3,186,860)	(3)
Research and development expenses		(28,858,577)	(24)	(29,543,967)	(30)
Total operating expenses		(37,587,866)	(31)	(38,269,324)	(39)
Operating income		688,585	1	11,447,326	11
Non-operating income and expenses					
Other income	4, 6(20), 7	1,302,131	1	1,304,871	1
Other gains and losses	4, 6(21)	518,991	-	(143,589)	-
Finance costs	6(22)	(324,622)	-	(293,986)	-
Share of profit of subsidiaries, associates, and joint ventures accounted for using the equity method	4	22,503,615	19	15,736,559	16
Total non-operating income and expenses		24,000,115	20	16,603,855	17
Net income before income tax		24,688,700	21	28,051,181	28
Income tax expense	4, 5, 6(24)	(988,102)	(1)	(2,092,752)	(2)
Net income		23,700,598	20	25,958,429	26
Other comprehensive income	4, 6(9), 6(15), 6(23), 6(24)				
Not to be reclassified to profit or loss in subsequent periods					
Remeasurements of the defined benefit plan		(85,908)	-	348,151	-
Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method which not to be reclassified to profit or loss		17,288	-	(19,103)	-
Income tax relating to those items not to be reclassified to profit or loss		14,605	-	(59,186)	-
To be reclassified to profit or loss in subsequent periods					
Exchange differences resulting from translating the financial statements of foreign operations		(4,433,045)	(4)	2,385,906	3
Unrealized (losses) gains from available-for-sale financial assets		(274,816)	-	104,283	-
Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method which may be reclassified to profit or loss		10,524,772	9	(1,191,384)	(1)
Other comprehensive income, net of tax		5,762,896	5	1,568,667	2
Total comprehensive income		\$ 29,463,494	25	\$ 27,527,096	28
Basic Earnings Per Share (in New Taiwan Dollars)	6(25)	\$ 15.16		\$ 16.60	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(25)	\$ 15.13		\$ 16.57	

The accompanying notes are an integral part of the parent company only financial statements.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars)

Description	Share capital		Retained earnings				Other equity				Treasury shares	Total equity
	Common stock	Capital collected in advance	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains (losses) from available-for-sale financial assets	Other			
Balance as of January 1, 2015	\$ 15,714,455	\$ 467	\$ 88,047,914	\$ 27,392,687	\$ 895,749	\$ 108,566,733	\$ 4,218,292	\$ 2,387,821	\$ -	\$ (55,970)	\$ 247,168,148	
Appropriation and distribution of 2014 earnings:	-	-	-	4,639,789	-	(4,639,789)	-	-	-	-	-	
Legal reserve	-	-	-	-	(895,749)	895,749	-	-	-	-	-	
Special reserve	-	-	-	-	-	(34,574,697)	-	-	-	-	(34,574,697)	
Cash dividends	-	-	-	4,639,789	(895,749)	(38,318,737)	-	-	-	-	(34,574,697)	
Total	-	-	-	-	-	-	-	-	-	-	(34,574,697)	
Profit for the year ended December 31, 2015	-	-	-	-	-	25,958,429	-	-	-	-	25,958,429	
Other comprehensive income for the year ended December 31, 2015	-	-	-	-	-	269,862	2,285,303	(986,498)	-	-	1,568,667	
Total comprehensive income	-	-	-	-	-	26,228,291	2,285,303	(986,498)	-	-	27,527,096	
Share-based payment transactions	1,382	(467)	37,279	-	-	-	-	-	-	-	38,194	
Adjustments due to dividends that subsidiaries received from parent company	-	-	171,469	-	-	-	-	-	-	-	171,469	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	(7,322)	-	-	-	-	-	-	-	(7,322)	
Changes in ownership interests in subsidiaries	-	-	61,562	-	-	-	-	-	-	-	61,562	
Changes in other capital surplus	-	-	43,276	-	-	-	-	-	-	-	43,276	
Balance as of December 31, 2015	15,715,837	-	88,354,178	32,032,476	-	96,476,287	6,503,595	1,401,323	-	(55,970)	240,427,726	
Appropriation and distribution of 2015 earnings:	-	-	-	2,595,843	-	(2,595,843)	-	-	-	-	-	
Legal reserve	-	-	-	-	-	(17,287,421)	-	-	-	-	(17,287,421)	
Cash dividends	-	-	-	2,595,843	-	(19,883,264)	-	-	-	-	(17,287,421)	
Total	-	-	-	-	-	-	-	-	-	-	-	
Profit for the year ended December 31, 2016	-	-	-	-	-	23,700,598	-	-	-	-	23,700,598	
Other comprehensive income for the year ended December 31, 2016	-	-	-	-	-	(54,015)	(4,507,700)	10,124,611	-	-	5,762,896	
Total comprehensive income	-	-	-	-	-	23,646,583	(4,507,700)	10,124,611	-	-	29,463,494	
Share-based payment transactions	-	-	10,353	-	-	-	-	-	-	-	10,353	
Adjustments due to dividends that subsidiaries received from parent company	-	-	85,735	-	-	-	-	-	-	-	85,735	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	(142,643)	-	-	(7,915,324)	-	-	-	-	(8,057,967)	
Changes in ownership interests in subsidiaries	-	-	(99,948)	-	-	-	-	-	-	-	(99,948)	
Issuance of restricted stock for employees	105,285	-	1,660,064	-	-	-	-	-	(1,476,028)	-	289,321	
Changes in associates and joint ventures accounted for using the equity method	-	-	(52,383)	-	-	-	-	-	-	-	(52,383)	
Balance as of December 31, 2016	\$ 15,821,122	\$ -	\$ 89,815,356	\$ 34,628,319	\$ -	\$ 92,324,282	\$ 2,195,895	\$ 11,525,934	\$ (1,476,028)	\$ (55,970)	\$ 244,778,910	

The accompanying notes are an integral part of the parent company only financial statements.

The actual distribution of employees' compensation amounted to NT\$309,130 thousand and NT\$351,232 thousand and remuneration to directors and supervisors amounted to NT\$41,733 thousand and NT\$47,416 thousand for the years ended 2016 and 2015, respectively, which was deducted from the statement of comprehensive income.

MEDIATEK INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2016 and 2015

(Amounts in thousands of New Taiwan Dollars)

Description	2016	2015
Cash flows from operating activities :		
Profit before tax from continuing operations	\$ 24,688,700	\$ 28,051,181
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	1,187,415	910,618
Amortization	1,612,673	1,422,332
Bad debt (reversal) provision	(182,279)	159,276
Losses on financial assets and liabilities at fair value through profit or loss	20,924	30,337
Interest expenses	324,622	293,986
Interest income	(850,451)	(1,149,150)
Dividend income	-	(22,465)
Share-based payment expenses	289,321	-
Share of profit of subsidiaries, associates, and joint ventures accounted for using the equity method	(22,503,615)	(15,736,559)
Losses on disposal of property, plant and equipment	38	2,828
Gains on disposal of investments	(19,651)	(9,985)
Impairment of financial assets	-	295,528
Unrealized gross profit on sales	246,645	-
Others	(221,624)	-
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	650,506	(247,576)
Trade receivables	(1,164,635)	(843,566)
Trade receivables from related parties	(230,705)	71,150
Other receivables	(2,307,629)	3,452,146
Inventories	(6,634,324)	225,600
Prepayments	852,249	144,511
Other current assets	(38,820)	(577,710)
Trade payables	3,719,167	(991,365)
Trade payables to related parties	125,882	(76,700)
Other payables	940,114	(10,491,881)
Other current liabilities	126,072	311,642
Long-term payables	(56,212)	(35,770)
Net defined benefit liabilities	12,346	10,557
Cash generated from operating activities:		
Interest received	713,772	1,125,401
Dividend received	13,489,338	8,643,402
Interest paid	(323,403)	(290,934)
Income tax paid	(432,040)	(5,215,923)
Net cash provided by operating activities	14,034,396	9,460,911
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(393,243)	(1,917,013)
Proceeds from disposal of available-for-sale financial assets	470,928	316,448
Acquisition of debt instrument investments for which no active market exists	(7,250)	(24,390)
Proceeds from disposal of debt instrument investments for which no active market exists	-	297,924
Acquisition of held-to-maturity financial assets	-	(1,504,987)
Proceeds from redemption of held-to-maturity financial assets	1,125,000	375,000
Acquisition of investments accounted for using the equity method	(14,650,002)	(14,853,149)
Proceeds from capital return of investments accounted for using the equity method	2,280,000	-
Acquisition of property, plant and equipment	(3,050,023)	(2,311,429)
Proceeds from disposal of property, plant and equipment	83,907	288
(Increase) decrease in refundable deposits	(48,562)	12,259
Acquisition of intangible assets	(219,191)	(1,353,299)
Proceeds from disposal of intangible assets	785	-
Net cash used in investing activities	(14,407,651)	(20,962,348)
Cash flows from financing activities :		
Increase (decrease) in short-term borrowings	2,984,050	(6,483,170)
Increase in deposits received	421	2,198
Proceeds from exercise of employee stock options	-	30,132
Cash dividends	(17,287,421)	(34,574,697)
Net cash used in financing activities	(14,302,950)	(41,025,537)
Net decrease in cash and cash equivalents	(14,676,205)	(52,526,974)
Cash and cash equivalents at the beginning of the year	74,921,175	127,448,149
Cash and cash equivalents at the end of the year	\$ 60,244,970	\$ 74,921,175

The accompanying notes are an integral part of the parent company only financial statements.

Chairman : Ming-Kai Tsai

President : Ching-Jiang Hsieh

Chief Financial Officer : David Ku

Attachment 5

Comparison Table Illustrating the Original and Amended Text of the “Articles of Incorporation”

Original version	Amended version	Reason
<p>Article 9</p> <p>The shareholders’ meeting shall be presided by the Chairman of the Board of Directors of the Company. In case the Chairman is on leave or otherwise cannot exercise his duty and authority for any reason, the Chairman shall appoint a director to act as his deputy; otherwise, the directors shall elect from among themselves a chairman to preside over the shareholders’ meeting. If a shareholders’ meeting is convened by a person other than the Board of Directors, the shareholders’ meeting shall be chaired by that convener. If there are two or more conveners for a shareholders’ meeting, one of them shall be elected to chair the meeting.</p>	<p>Article 9</p> <p>The shareholders’ meeting shall be presided by the Chairman of the Board of Directors of the Company. In case the Chairman is on leave or otherwise cannot exercise his duty and authority for any reason, <u>the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or otherwise cannot exercise his duty</u>, the Chairman shall appoint a director to act as his deputy; otherwise, the directors shall elect from among themselves a chairman to preside over the shareholders’ meeting. If a shareholders’ meeting is convened by a person other than the Board of Directors, the shareholders’ meeting shall be chaired by that convener. If there are two or more conveners for a shareholders’ meeting, one of them shall be elected to chair the meeting.</p>	To comply with currently effective laws and regulations.
<p>Article 12</p> <p><u>Each share is entitled to one voting right, except shares held under Article 179 of the Company Act, which have no voting rights.</u></p>	<p>Article 12</p> <p><u>Except as otherwise provided by other laws or regulations, each share is entitled to one voting right.</u></p>	To comply with currently effective laws and regulations.
<p>Article 13</p> <p>Except as <u>regulated in the Company Act of the Republic of China</u>, shareholders’ meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. Shareholders of the Company can vote through the electronic voting system, the details of which shall be handled in accordance with relevant laws and regulations.</p>	<p>Article 13</p> <p>Except as <u>otherwise provided by other laws or regulations</u>, shareholders’ meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. Shareholders of the Company can vote through the electronic voting system, the details of which shall be handled in accordance with relevant laws and regulations.</p>	In addition to the Company Act, there are other laws and regulations regulating the shareholders’ resolution, including the Security and Exchange Act, Business Mergers and Acquisitions Act, and other relevant laws and regulations. Therefore, the phrase “Company Act” is deleted and replaced with “other laws or regulations”.
<p>Article 15</p> <p>The Board of Directors shall be formed by elected Directors and shall have the following responsibilities:</p> <ol style="list-style-type: none"> 1. Preparing business <u>plans</u>. 2. Proposing allocation plans of earnings or proposals to <u>recover</u> loss. 3. Proposing plans for increasing or decreasing capital. 4. Drafting important rules and contracts. 5. Appointing or discharging the Company’s <u>President and Vice Presidents</u>. 6. Setting up or dissolving branches. 7. Compiling Budget Reports and Final Reports. 8. Performing other duties authorized by the Company Act or shareholders’ meeting. 	<p>Article 15</p> <p>The Board of Directors shall be formed by elected Directors and shall have the following responsibilities:</p> <ol style="list-style-type: none"> 1. Preparing business <u>report</u>. 2. Proposing allocation plans of earnings or proposals to <u>make up</u> loss. 3. Proposing plans for increasing or decreasing capital. 4. Drafting important rules and contracts. 5. Appointing or discharging the Company’s <u>managers</u>. 6. Setting up or dissolving branches. 7. Compiling Budget Reports and Final Reports. 8. Performing other duties authorized by the Company Act or shareholders’ meeting. 	To comply with currently effective laws and regulations.
<p>Article 18</p> <p>Meetings of the Board of Directors shall be presided over by the Chairman of the Board of</p>	<p>Article 18</p> <p>Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors of</p>	To comply with currently effective laws and regulations.

<p>Directors of the Company. In case the Chairman is on leave or otherwise cannot exercise his duty, the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or otherwise cannot exercise his duty, the Chairman shall appoint a director to act as his deputy <u>or</u> the directors shall elect from among themselves a chairman. Directors shall attend the Meeting of the Board of Directors. When a Director is unable to attend any Meeting of the Board of Directors, he may appoint another Director to attend on his behalf, but no Director may act as proxy for more than one Director.</p>	<p>the Company. In case the Chairman is on leave or otherwise cannot exercise his duty, the vice chairman shall act on his behalf. In case there is no vice chairman or the vice chairman is also on leave or otherwise cannot exercise his duty, the Chairman shall appoint a director to act as his deputy; <u>otherwise</u> the directors shall elect from among themselves a chairman <u>to preside over the Meeting of the Board of Directors</u>. Directors shall attend the Meeting of the Board of Directors. When a Director is unable to attend any Meeting of the Board of Directors, he may appoint another Director to attend on his behalf, but no Director may act as proxy for more than one Director.</p>	
<p>Article 20 The Company <u>shall appoint one President, and several Vice Presidents. The appointment, discharge, and compensation of the President and Vice Presidents shall be made in accordance with Article 29 of the Company Act.</u></p>	<p>Article 20 The Company <u>may, by resolution of the Board of Directors, appoint one or more managers.</u></p>	<p>To comply with currently effective laws and regulations.</p>
<p>Article 21 <u>The President shall direct the Company's business operation in accordance with decisions resolved by the Board of Directors.</u></p>	<p>Article 21 <u>The scope of duties and power of managers of the Company may, in addition to what are specified in the Articles of Incorporation, also be defined in the contract.</u></p>	<p>To comply with currently effective laws and regulations.</p>
<p>Article 27 (omitted) The seventeenth amendment was made on June 24, 2016.</p>	<p>Article 27 (omitted) The seventeenth amendment was made on June 24, 2016, <u>and the eighteenth amendment was made on June 15, 2017.</u></p>	<p>To add the amendment date.</p>

Attachment 6

Comparison Table Illustrating the Original and Amended Text of the “Procedures Governing the Acquisition or Disposition of Assets”

Original version	Amended version	Reason
<p>Article III: Appraisal Procedures</p> <p>II. Basis for reference of pricing</p> <p>(I). Long- and short-term securities</p> <p>To acquire or dispose securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the target company for the most recent period that was certified or reviewed by a certified public accountant as a reference in appraising the transaction price. If the dollar amount of the transaction reaches 20% of the Company's paid-in capital or exceeds NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use a report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (“ARDF”). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the government authorities.</p> <p>(II). Real property or equipment</p> <p>In acquiring or disposing of real property or equipment where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, except for transacting with a government <u>agency</u>, engaging others to build on Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless the appraisal results for the assets to be acquired are higher than the transaction amount, or the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of</p>	<p>Article III: Appraisal Procedures</p> <p>II. Basis for reference of pricing</p> <p>(I). Long- and short-term securities</p> <p>To acquire or dispose securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the target company for the most recent period that was certified or reviewed by a certified public accountant as a reference in appraising the transaction price. If the dollar amount of the transaction reaches 20% of the Company's paid-in capital or exceeds NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use a report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (“ARDF”). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the government authorities.</p> <p>(II). Real property or equipment</p> <p>In acquiring or disposing of real property or equipment where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, except for transacting with a government <u>agency</u>, engaging others to build on Company's own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless the appraisal results for the assets to be acquired are higher than the transaction amount, or the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in</p>	<p>To comply with the amendments to the relevant laws and regulations, revise the Chinese term “government agency.”</p>

<p>Auditing Standards No. 20 published by the ARDF and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided however, that where the publicly announced current value of the real property for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>5. The term "professional appraiser" as set forth in the Procedures denotes a real property appraiser or other person duly authorized by laws to engage in the value appraisal of real property or equipment.</p> <p>(III). Memberships or intangible assets In acquiring or disposing of memberships or intangible assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except in transactions with a government <u>agency</u>, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p>	<p>accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided however, that where the publicly announced current value of the real property for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>5. The term "professional appraiser" as set forth in the Procedures denotes a real property appraiser or other person duly authorized by laws to engage in the value appraisal of real property or equipment.</p> <p>(III). Memberships or intangible assets In acquiring or disposing of memberships or intangible assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except in transactions with a government <u>agency</u>, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p>	
<p>Article IV: Operating Procedures I. Limits and levels of authorization The acquisition or disposal of the Company's assets shall be handled in accordance with the following limits and procedures.</p> <p>(I). The acquisition or disposal of the Company's assets set forth in Paragraph 1, Article 2 shall be subject to approval by the Chairman if it is long-term shareholding investment for business purpose, and shall be further subject to an approval by the Audit Committee and the Board of Directors beforehand if the case exceeds NT\$300 million in price. Investment in long- and short-term securities other than aforementioned shall abide by the following operating procedures and limit:</p> <p>1. The cumulative amount of the same underlying investment that is NT\$300 million or less within the same fiscal year shall be assessed and proceeded by the executive unit.</p> <p>2. The cumulative amount of the same underlying investment that exceeds NT\$300 million but less than NT\$1 billion within the same fiscal year shall be assessed by the executive unit and proceeded after the Chairman's approval.</p> <p>3. The cumulative amount of the same underlying investment that is NT\$1 billion or more or is 50% or more of sum of cash and cash equivalents, financial assets, and funds and investments within the same fiscal year shall be assessed by the</p>	<p>Article IV: Operating Procedures I. Limits and levels of authorization The acquisition or disposal of the Company's assets shall be handled in accordance with the following limits and procedures.</p> <p>(I). The acquisition or disposal of the Company's assets set forth in Paragraph 1, Article 2 shall be subject to approval by the Chairman if it is long-term shareholding investment for business purpose, and shall be further subject to an approval by the Audit Committee and the Board of Directors beforehand if the case exceeds NT\$300 million in price. Investment in long- and short-term securities other than aforementioned shall abide by the following operating procedures and limit:</p> <p>1. The cumulative amount of the same underlying investment that is NT\$300 million or less within the same fiscal year shall be assessed and proceeded by the executive unit.</p> <p>2. The cumulative amount of the same underlying investment that exceeds NT\$300 million but less than NT\$1 billion within the same fiscal year shall be assessed by the executive unit and proceeded after the Chairman's approval.</p> <p>3. The cumulative amount of the same underlying investment that is NT\$1 billion or more or is 50% or more of sum of cash and cash equivalents, financial assets, and funds and investments within the same fiscal year shall be assessed by the</p>	<p>To meet the needs of the Company's operations.</p>

<p>executive unit and proceeded after the Board of Directors' approval.</p> <p>(II). The acquisition or disposal of the Company's real property or equipment shall be <u>subject to the approval of the general manager if priced NT\$5 million or below, subject to approval by the Chairman if the case exceeds NT\$5 million in price</u>, and shall be further subject to an approval by the Board of Directors beforehand if the case is NT\$300 million or more in price. But the Board of Directors may authorize the Chairman to approve it and then ask for ratification from the Board afterwards. The above restriction shall not apply to the capital expenditure which is budgeted in annual budget plan and approved by Board of Directors.</p> <p>(III). Membership and intangible assets shall be acquired and disposed in accordance with the manner for real property and equipment.</p> <p>(IV). Derivatives shall be duly handled in accordance with the procedures set forth in Section Three.</p> <p>(V). The acquisition or disposal of assets through mergers, spin off, acquisitions, or transfer of shares shall be handled in accordance with the procedures set forth in Section Four.</p>	<p>executive unit and proceeded after the Board of Directors' approval.</p> <p>(II). The acquisition or disposal of the Company's real property or equipment shall be <u>proceeded by the executive unit in accordance with relevant internal regulations of the Company</u>, and shall be further subject to an approval by the Board of Directors beforehand if the case is NT\$300 million or more in price. But the Board of Directors may authorize the Chairman to approve it and then ask for ratification from the Board afterwards. The above restriction shall not apply to the capital expenditure which is budgeted in annual budget plan and approved by Board of Directors.</p> <p>(III). Membership and intangible assets shall be acquired and disposed in accordance with the manner for real property and equipment.</p> <p>(IV). Derivatives shall be duly handled in accordance with the procedures set forth in Section Three.</p> <p>(V). The acquisition or disposal of assets through mergers, spin off, acquisitions, or transfer of shares shall be handled in accordance with the procedures set forth in Section Four.</p>	
<p>Article V: Public Announcement and Declaration I. Procedures</p> <p>Under any of the following circumstances, the Company acquired or disposed of assets shall publicly announce and report in accordance with relevant regulations in the appropriate format as prescribed by the regulations within two days from the date of occurrence of the event.</p> <p>(I). Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided however, that this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or <u>redemption of domestic money market funds</u>.</p> <p>(II). Merger, spin off, acquisition, or transfer of shares.</p> <p>(III). Losses from derivative trading reaching the limits on aggregate losses or losses on individual contracts set forth in the Procedures adopted by the Company.</p> <p>(IV). Where an asset transaction other than any of</p>	<p>Article V: Public Announcement and Declaration I. Procedures</p> <p>Under any of the following circumstances, the Company acquired or disposed of assets shall publicly announce and report in accordance with relevant regulations in the appropriate format as prescribed by the regulations within two days from the date of occurrence of the event.</p> <p>(I). Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided however, that this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or <u>repurchase of money market funds issued by domestic securities investment trust enterprises</u>.</p> <p>(II). Merger, spin off, acquisition, or transfer of shares.</p> <p>(III). Losses from derivative trading reaching the limits on aggregate losses or losses on individual contracts set forth in the Procedures adopted by the Company.</p> <p><u>(IV). Where the type of assets acquired or disposed is equipment for own operational use and where the trading partner is not a related party, and the transaction amount reaches NT\$ 1 billion or more.</u></p> <p><u>(V). Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction reaches NT\$500 million or more.</u></p> <p><u>(VI). Where an asset transaction other than any</u></p>	<ol style="list-style-type: none"> 1. To comply with the amendments to the relevant laws and regulations, revise the term "domestic money market funds." 2. To comply with the amendments to the relevant laws and regulations, increase amount of the transaction to NT\$1 billion where the type of assets acquired or disposed is equipment for own operational use and where the trading partner is not a related party as the threshold for issuing public announcement, and move the relevant provision to Sec. I. (IV). 3. To comply with the amendments to the relevant laws and regulations, move Sec. I. (IV). 5. to Sec. I. (V). 4. Delete Sec. I. (IV). 2. due to that MediaTek is not an investment profession and thus it's not applicable to MediaTek. 5. To comply with the amendments to the relevant laws and regulations, revise Sec. VIII to require that in the event that the public announcement is found defective or erroneous which calls for correction, the Company shall conduct the entire public announcement and declaration afresh within two days from the date of

<p>those referred to in the preceding <u>three</u> Subparagraphs or investment in the mainland China area reach 20% of the paid-in capital of the Company or NT\$300 million or more; provided however, that this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of government bonds. 2. <u>Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets.</u> 3. Trading of bonds under repurchase/resale agreements, or subscription or <u>redemption of domestic money market funds.</u> 4. <u>Where the type of assets acquired or disposed is equipment for own operational use and where the trading partner is not a related party, and the transaction amount is less than NT\$500 million.</u> 5. <u>Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction is less than NT\$500 million.</u> <p>(V). The amount of transactions in the above Subparagraph shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. 3. The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>II. The term "date of occurrence" as set forth in the Procedures refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided however, that for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>III. The term "Investment in the mainland China area" as set forth in the Procedures denotes the investment in Mainland China approved by the Investment Commission of the Ministry of Economic Affairs or conducted in accordance with the provisions of Regulations Governing Permission for Investment or Technological Cooperation in the Mainland Area.</p> <p>IV. "Within the preceding year" as used in Paragraph 1 of this Article refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Regulations need not be counted toward</p>	<p>of those referred to in the preceding <u>five</u> Subparagraphs or investment in the mainland China area reach 20% of the paid-in capital of the Company or NT\$300 million or more; provided however, that this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of government bonds. 2. Trading of bonds under repurchase/resale agreements, or subscription <u>or repurchase of money market funds issued by domestic securities investment trust enterprises.</u> <p>II. The amount of transactions in the above Subsection shall be calculated as follows:</p> <ol style="list-style-type: none"> (I). The amount of any individual transaction (II). The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. (III). The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. (IV). The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>III. The term "date of occurrence" as set forth in the Procedures refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided however, that for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>IV. The term "Investment in the mainland China area" as set forth in the Procedures denotes the investment in Mainland China approved by the Investment Commission of the Ministry of Economic Affairs or conducted in accordance with the provisions of Regulations Governing Permission for Investment or Technological Cooperation in the Mainland Area.</p> <p>V. "Within the preceding year" as used in Paragraph 1 of this Article refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Regulations need not be counted toward</p>	<p>knowing such defects or errors.</p>
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<p>the transaction amount.</p> <p><u>V.</u> Contents of public announcement and declaration Where the Company conducts public announcement and declaration in accordance with <u>the preceding article</u>, the contents of such of public announcement and declaration shall follow the requirements set forth by the securities regulatory authority.</p> <p><u>VI.</u> Update of public announcement and declaration In the event that the public announcement made by the Company in accordance with Article V is found defective or erroneous which calls for correction, the Company shall conduct the entire public announcement and declaration afresh.</p> <p><u>VII.</u> Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and declared in accordance with Article V, another public announcement and declaration of relevant information shall be made on the information reporting website designated by the securities regulatory authority within two days from the date of occurrence of the event.</p> <p>(I). Change, termination, or rescission of a contract signed with regard to the original transaction.</p> <p>(II). The merger, spin off, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(III). Change to the originally publicly announced and declared information.</p>	<p>the transaction amount.</p> <p><u>VI.</u> Contents of public announcement and declaration Where the Company conducts public announcement and declaration in accordance with <u>Article V</u>, the contents of such of public announcement and declaration shall follow the requirements set forth by the securities regulatory authority.</p> <p><u>VII.</u> Update of public announcement and declaration In the event that the public announcement made by the Company in accordance with Article V is found defective or erroneous which calls for correction, the Company shall conduct the entire public announcement and declaration afresh <u>within two days from the date of knowing such defects or errors.</u></p> <p><u>VIII.</u> Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and declared in accordance with Article V, another public announcement and declaration of relevant information shall be made on the information reporting website designated by the securities regulatory authority within two days from the date of occurrence of the event.</p> <p>(I). Change, termination, or rescission of a contract signed with regard to the original transaction.</p> <p>(II). The merger, spin off, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(III). Change to the originally publicly announced and declared information.</p>	
<p>Article VII</p> <p>The Company and its subsidiaries may further invest in purchase of real property or securities not for business operation needs within the following amounts and limits:</p> <p><u>I.</u> Total amount of investment in real property not for business operation purposes: Not exceed 25% of the Company's shareholders equity as audited and certified by certified public accountant.</p> <p><u>II.</u> Total amount of investment in securities: Not exceed the total of the Company's shareholders equity and long-term liabilities as audited and certified by certified public accountant.</p> <p><u>III.</u> Total amount of investment in individual securities: Not exceed 60% of the Company's shareholders equity as audited and certified by certified public accountant.</p>	<p>Article VII</p> <p>The Company and its subsidiaries may further invest in purchase of real property or securities not for business operation needs within the following amounts and limits:</p> <p><u>(I).</u> Total amount of investment in real property not for business operation purposes: Not exceed 25% of the Company's shareholders equity as audited and certified by certified public accountant.</p> <p><u>(II).</u> Total amount of investment in securities: Not exceed the total of the Company's shareholders equity and long-term liabilities as audited and certified by certified public accountant.</p> <p><u>(III).</u> Total amount of investment in individual securities: Not exceed 60% of the Company's shareholders equity as audited and certified by certified public accountant.</p>	<p>To change section numbers.</p>

Attachment 7

**MediaTek Inc.
List of Director Candidates**

Name	Shareholdings (Note 1)	Education Recognitions	Major Previous Positions	Current Positions
Rick Tsai	-	- Ph.D., Material Science, Cornell University, USA	- Chairman & CEO, Chunghwa Telecom Co., Ltd. - President & CEO, TSMC	- Director, Lam Research Corporation - Independent Director, USI Corporation - Advisor to Chairman, MediaTek Inc.

Note 1: As of April 17, 2017

**MediaTek Inc.
List of Independent Director Candidates**

Name	Shareholdings (Note 1)	Education Recognitions	Major Previous Positions	Current Positions
Ming-Je Tang	-	- Ph.D., Business Management, MIT, USA	- Vice President, National Taiwan University - Visiting Associate Professor, Hong Kong University of Science and Technology - Associate Professor with tenure, University of Illinois at Urbana-Champaign	- Professor of Department and Graduate Institute of International Business, National Taiwan University - Independent Director, Fubon Financial Holding Co., Ltd., Fubon Securities Co., Ltd. and Fubon Insurance Co., Ltd. - Director, Trend-Micro Technology and Education Foundation - Director, Vsense Limited

Note 1: As of April 17, 2017

Appendix

Appendix 1

MediaTek Inc. Articles of Incorporation

Effective after approval at the 2016 shareholder's meeting

Section One – General Provisions

Article 1

The Company shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be MediaTek Inc. (in English).

Article 2

The scope of business of the Corporation shall be as follows:

- CC01080: Electronic parts and components manufacture.
- F401010: Manufacture and export business.
- I301010: Information & software services.
- I501010: Product design.
- F401021: Restrained Telecom Radio Frequency Equipments and Materials Import.
- F601010: Intellectual Property

1. Researching, developing, producing, manufacturing, and selling the following products:
 - (1). Multimedia integrated circuits (ICs);
 - (2). PC peripheral ICs;
 - (3). High-end consumer electronic ICs;
 - (4). Other Application-Specific ICs;
 - (5). Patents or IC layout copyright licensing related to the abovementioned ICs.
2. Providing hardware and software design, development, testing, maintenance and technology consulting services for the abovementioned products.
3. Conducting import and export trade for the abovementioned products.

Article 2-1

When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's reinvestment shall not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Law.

Article 3

The Company is headquartered in the Hsinchu Science-Based Industrial Park in Taiwan, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative and branch offices at various locations within and without the territory of the Republic of China, whenever and wherever the Company deems it necessary or advisable to carry out any or all of its business activities.

Article 4

Public announcements of the Company shall be made in accordance with Article 28 of the Company Law and other relevant rules and regulations of the Republic of China.

Article 4-1

The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Regulations Governing Endorsement and Guarantee.

Section Two – Capital Stock**Article 5**

The total capital stock of the Company shall be in the amount of 20 billion New Taiwan Dollars, divided into 2 billion shares at NT\$10 par value each share, and may be paid-up in installments. The Company may issue stock options from time to time in accordance with the resolutions of the Board of Directors. Two hundred million New Taiwan Dollars of the total capital stock shall be divided into 20 million shares at NT\$10 par value for each share. A total of 20 million shares of the above total capital stock should be reserved for issuing stock options.

Article 6

The share certificates of the Company shall all be name-bearing share certificates. If the Company decides to print share certificates for shares issued, the share certificates shall be signed by or affixed with the seals of at least three Directors, and authenticated by the competent authorities of the government or the certification organization. The Company may be exempted from printing share certificates if the shares are registered with a domestic securities depository enterprise.

Article 7

Registration for transfer of shares shall be suspended 60 days immediately before the date of regular meeting of shareholders, and 30 days immediately before the date of any special meeting of shareholders, or within 5 days before the day on which dividends, bonuses, or any other benefits are scheduled to be paid by the Company.

Section Three – Shareholders' Meeting**Article 8**

There are two types of company shareholders' meeting: (1) regular meetings – which shall be convened by the Board of Directors within 6 months after the close of each fiscal year, and (2) special meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.

Article 9

The shareholders' meeting shall be presided over by the Chairman of the Board of Directors of the Company. In their absence, the Chairman shall appoint a deputy to act in their place; otherwise, one Director shall be designated to preside over the shareholders' meeting. If a shareholders' meeting is convened by a person other than a member of the Board of Directors, the shareholders' meeting shall be chaired by that convener. If there are two or more conveners for a shareholders' meeting, one of them shall be elected to chair the meeting.

Article 10

Notices shall be sent to all shareholders for the convening of shareholders' meetings – at least 30 days in advance for regular meetings; and at least 15 days in advance for special meetings. The meeting date, venue and the purpose(s) for convening such shareholders' meeting shall be clearly stated in the meeting notices.

Article 11

If a shareholder is unable to attend a shareholders' meeting, he/she may appoint a representative to attend it, with a Shareholder Proxy Form issued by the Company, in accordance with Article 177 of the Company Law of the Republic of China, and the Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 12

Each share is entitled to one voting right, except shares held under regulation of Article 179 of the Company Law, which have no voting rights.

Article 13

Except as regulated in the Company Act of the Republic of China, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. Shareholders of the Company can vote through the electronic voting system, the details of which shall be handled in accordance with relevant laws and regulations.

Article 13-1

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the Chairman of the meeting. Shareholders shall be notified of the minutes within 20 days after the meeting. The minutes specified above shall be distributed in accordance with the provisions of the Company Act.

Section Four – Directors and Audit Committee**Article 14**

The Company shall have five to nine Directors, with the actual number to be determined by the Board. There shall be at least three Independent Directors in the Board. The election of Directors and Independent Directors shall be conducted in accordance with Article 192-1 of the Company Act, where the system of nomination of candidates shall be adopted. The relevant professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to Independent Directors shall be governed by the relevant provisions of the Company Act and Securities and Exchange Act. The independent and non-Independent Directors shall be elected at the same time, and the number of elected directors shall be calculated separately.

The term of Directors is three years, and shall be elected in the shareholders' meetings. Their term of office shall be three years, and shall be eligible for re-election. After the company went public, the total number of shares that all Directors shall hold should be in accordance with the requirements of the competent authorities. The Board of Directors is authorized to determine the compensation for the Directors, taking into account the standards of the industry. The Company may, in accordance with Corporate Governance Regulations for TSE/GTSM Listed Companies, purchase Directors and Officers Liability Insurance for its Directors. The Board of Directors is authorized to decide on the insurance coverage.

Article 14-1

If the Director(s) also serve(s) other position(s) in the Company, his/her compensation for such duties shall be set forth by the competent authority in charge of securities.

Article 14-2

The following relationship shall not be permitted for more than a majority of the Company's Director:

1. Spouse
2. Relative within Second Degree of relationship.

Article 15

The Board of Directors shall be formed by elected Directors and shall have the following responsibilities:

1. Preparing business plans.
2. Proposing allocation plans of earnings or proposals to recover loss.
3. Proposing plans for increasing or decreasing capital.
4. Drafting important rules and contracts.
5. Appointing or discharging the Company's President and Vice Presidents.
6. Setting up or dissolving branches.
7. Compiling Budget Reports and Final Reports.
8. Performing other duties authorized by the Company Law or shareholders' meeting.

Article 16

The Directors shall elect from among themselves a Chairman of the Board of Directors, and a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall also be the chairman of shareholders' meetings, and shall have the authority to represent the Company.

Article 17

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. Directors may be notified of the Board of Directors meeting via written notices, as E-mail or fax. Except as otherwise provided in the Company Act of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority or more of total Directors and resolutions shall be adopted with the concurrence of the majority or more of the Directors present at the meeting.

Article 18

Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors of the Company. In their absence, either the Vice Chairman of the Board of Directors or one of the Directors appointed by the Chairman shall preside over the meeting. When a Director is unable to attend any Meeting of the Board of Directors, they may appoint another Director to attend on their behalf, but no Director may act as proxy for more than one other Director.

Article 19

The Company shall form an Audit Committee, which is composed of all Independent Directors. Details including number of members, terms, responsibilities and rule of meeting shall be stipulated separately in the Organization Rules of Audit Committee in accordance with the rules in the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies".

Section Five – Management of the Company

Article 20

The Company shall appoint one President, and several Vice Presidents. The appointment, discharge, and compensation of the President and Vice Presidents shall be in accordance with Article 29 of the Company Law.

Article 21

The President shall direct the Company's business operation in accordance with decisions resolved by the Board of Directors.

Section Six – Financial Reports

Article 22

The Company's fiscal year shall be from January 1st of each year to December 31st of the same year. After the close of each fiscal year, the Company shall prepare final accounts for that year.

Article 23

After the end of each fiscal year, in accordance with Article 228 of the Company Act, the following reports shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Net Profits or Covering of Losses.

Article 24

If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 0.5% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance. Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.

Article 24-1

When allocating the net profits for each fiscal year, the following order shall be followed:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend. The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial

plans. Each year the Board of Directors shall prepare a profit distribution proposal and report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the entire distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 10% of total dividends to shareholders.

Section Seven – Supplementary Provisions

Article 25

The organization of the Company shall be defined in separate internal regulations.

Article 26

In regard to all matters not provided for in the Articles of Incorporation, the Company Law of the Republic of China shall govern.

Article 27

These Articles of Incorporation were resolved on May 21, 1997. The first amendment was made on September 1, 1997, the second amendment was made on July 3, 1998, the third amendment was made on June 21, 1999, the fourth amendment was made on June 9, 2000, the fifth amendment was made on September 28, 2000, the sixth amendment was made on June 8, 2001, the seventh amendment was made on June 3, 2002, the eighth amendment was made on May 16, 2003, the ninth amendment was made on June 9, 2004, the tenth amendment was made on June 13, 2005, the eleventh amendment was made on June 21, 2006, the twelfth amendment was made on June 11, 2007, the thirteenth amendment was made on June 15, 2010, the fourteenth amendment was made on June 15, 2011, the fifteenth amendment was made on June 13, 2012, and the sixteenth amendment was made on June 12, 2015, and the seventeenth amendment was made on June 24, 2016.

Appendix 2

MediaTek Inc. Rules and Procedures of Shareholders' Meeting

Effective after approval at the 2010 shareholder's meeting

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures.

Article 2

Shareholders attending the Meeting in person or through a proxy shall wear the attendee badge, and submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.

Article 3

When the number of shares represented by the shareholders present at the Meeting has constituted 50% or more of the total outstanding shares, the chairman shall call the Meeting to order at the time scheduled for the Meeting.

Article 4

The agenda of the Meeting shall be set by the Board of Directors. The Meeting shall proceed in accordance with the agenda.

Article 5

Proposals not in the Meeting's agenda will not be discussed or put to vote. The Chairman may announce to end a discussion of any resolution if the Chairman deems it appropriate.

Article 6

The Chairman may put a resolution to vote at the end of a discussion.

Article 7

Except otherwise specified in the Company Law of the Republic of China, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted for by casting ballots if no objection is voiced after solicitation by the Chairman.

Article 8

When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with the shareholder's Attendance Card number, the shareholder's name, and the number of shares held. The sequence of speeches by shareholders should be decided by the Chairman.

Article 9

Unless otherwise permitted by the Chairman, each shareholder shall not, for each discussion item, speak more than two times, with each time not exceeding three minutes.

Article 10

In case the speech of any shareholder violates the abovementioned provision or exceeds the scope of the discussion item, the Chairman may stop the speech of such shareholder. In case a shareholder does not obey the Chairman's instruction or does not maintain order at the Meeting place, the Chairman may stop such shareholder from attending the Meeting.

Article 11

During the Meeting, the Chairman may set a time for intermission.

Article 12

In cases of force majeure, the Meeting shall be discontinued. The Meeting shall be resumed an hour after the incident is over.

Article 13

Any matter not provided in these Rules and Procedures shall be handled in accordance with relevant laws and regulations.

Article 14

The Rules and Procedures shall be effective from the date it is resolved by the Board of Directors and approved by the Shareholders' Meeting. The same applies in case of revision.

Appendix 3

MediaTek Inc. Rules for Election of Directors

Effective after approval at the 2015 shareholder's meeting

Article 1

Unless otherwise provided for in the Company Act or the Articles of Incorporation of the Company, the Directors of the Company shall be elected in accordance with the Rules specified herein.

Article 2

Election of Directors of the Company shall be held at the shareholders' meeting. The Company shall prepare ballots for Directors, and note the number of voting rights.

Article 3

The election of the Company's Directors shall be conducted in accordance with Article 192-1 of the Company Act under the system of nomination of candidates.

Article 4

In the election of Directors of the Company, the single recorded cumulative voting system is implemented. Each share shall have voting rights equivalent to the number of seats to be elected, and such voting rights can be combined to vote for one person, or be divided to vote for several persons. The Independent and Non-Independent Directors shall be elected at the same time, and the number of elected Directors shall be calculated separately.

Article 5

The qualification and election of Independent Directors should be made in accordance with relevant rules and regulations issued by authorities.

Article 6

The election of Directors and Independent Directors of the Company shall be made based on number of seats stipulated in the Article of Incorporation of the Company. Further, votes received by Directors and Independent Directors shall be calculated separately, and candidates who receive more votes will win the seat of Directors or Independent Directors respectively. If two or more candidates acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

Article 7

At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots have to be appointed from among the shareholders present.

Article 8

The ballot box used for voting shall be prepared by the Company and be checked in public before voting by the person responsible for checking ballots.

Article 9

If the candidate is a shareholder of the Company, voters shall fill in the "candidate" column the candidate's name and the candidate's shareholder's number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity and the name(s) of their representative(s) shall be filled in the "candidate" column. If there are multiple representatives, these representatives' names shall be filled in separately. If the candidate is not a shareholder of the Company, voters shall fill in the "candidate" column with the candidate's name and the candidate's ID number.

Article 10

Ballots shall be deemed void in either one of the following conditions:

- (1). Ballots not placed in the ballot box;
- (2). Ballots not prepared by the Company;
- (3). Blank ballots not completed by the voter;
- (4). The "candidate" column was not filled in properly as specified in Article 9 of the Rules.
- (5). If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register;
- (6). If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect;
- (7). Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate;
- (8). Illegible writing;
- (9). Any of the candidate's name, shareholder's number (ID number) or the number of votes cast for such candidate being erased or changed;
- (10). The name of the candidates filled in the ballots being the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them;
- (11). The number of candidates filled in the ballot exceeding the number of the seats to be elected;
- (12). The total votes cast by the voter exceeding the total voting rights of such voter.

Article 11

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 12

The Rules and any revision thereof shall become effective after approval at the shareholder's meeting.

Appendix 4

MediaTek Inc. Shareholdings of All Directors

1. The shareholdings of the Company's Directors and percentage of shareholdings required by law are listed below:

The Company's total outstanding shares:	1,582,111,907
Total shareholdings of all Directors required by law:	37,970,685

2. As of April 17, 2017, the cut-off date of this Shareholders' Meeting, the individual Directors and their aggregate shareholdings are listed below:

Title	Name	Date Elected	Term	Shares	%
Chairman	Ming-Kai Tsai	June 12, 2015	3 years	41,006,187	2.59%
Vice Chairman	Ching-Jiang Hsieh	June 12, 2015	3 years	4,004,921	0.25%
Director	Cheng-Yaw Sun	June 12, 2015	3 years	29,244	0.00%
Director	Kenneth Kin	June 12, 2015	3 years	-	-
Independent Director	Chung-Yu Wu	June 12, 2015	3 years	236,000	0.01%
Independent Director	Peng-Heng Chang	June 12, 2015	3 years	-	-
Holdings of all Directors				45,276,352	2.85%