

Parade Technologies, Ltd

The reader is advised that these financial statements have been prepared originally in Chinese under ROC GAAP and in NT\$. In the event of any differences between NT\$ and US\$ version, the NT\$ version shall prevail.

CONSOLIDATED STATEMENTS OF INCOME

	USD in Thousands						NTD in Thousands					
	Sequential Quarter		Three Months ended		Six Months ended		Sequential Quarter		Three Months ended		Six Months ended	
	June 30, 2012	March 31, 2012	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011
Net Sales	46,065	35,560	46,065	17,043	81,625	31,970	1,364,418	1,056,154	1,364,418	491,872	2,420,572	929,380
Cost of good sold	22,149	17,043	22,149	8,935	39,192	16,846	656,038	506,188	656,038	257,840	1,162,226	489,721
Gross profit	23,916	18,517	23,916	8,108	42,433	15,124	708,380	549,966	708,380	234,032	1,258,346	439,659
Research & development expenses	4,196	4,399	4,196	2,485	8,595	4,812	124,268	130,659	124,268	71,674	254,927	139,892
Sales & marketing expenses	2,078	1,770	2,078	1,076	3,848	2,075	61,544	52,579	61,544	31,047	114,123	60,315
General & administrative expenses	1,552	1,409	1,552	899	2,961	1,587	45,965	41,841	45,965	25,963	87,806	46,125
Total operating expenses	7,826	7,578	7,826	4,460	15,404	8,474	231,777	225,079	231,777	128,684	456,856	246,332
Income from operations	16,090	10,939	16,090	3,648	27,029	6,650	476,603	324,887	476,603	105,348	801,490	193,327
Other income and expenses (Note 1)	33	(12)	33	14	21	1	973	(356)	973	175	617	15
Income before income taxes	16,123	10,927	16,123	3,662	27,050	6,651	477,576	324,531	477,576	105,523	802,107	193,342
Income tax	2,741	1,979	2,741	614	4,920	794	81,210	58,775	81,210	17,805	139,985	23,067
Net income	13,382	8,948	13,382	3,048	22,130	5,857	396,366	265,756	396,366	87,718	662,122	170,275
EPS - Basic (In Dollar)	\$0.26	\$0.17	\$0.26	\$0.08	\$0.44	\$0.19	\$7.73	\$5.19	\$7.73	\$2.18	\$12.91	\$5.49
Shares used in computing EPS-Basic (In thousands)	51,293	51,165	51,293	40,293	51,293	31,027	51,293	51,165	51,293	40,293	51,293	31,027
EPS - Diluted (In Dollar)	\$0.25	\$0.17	\$0.25	\$0.07	\$0.41	\$0.14	\$7.34	\$4.93	\$7.34	\$2.11	\$12.27	\$4.12
Shares used in computing EPS-Diluted (In thousands)	53,965	53,929	53,965	41,556	53,962	41,279	53,965	53,929	53,965	41,556	53,962	41,279

Note 1: Minor difference was due to account classification between US GAAP and ROC GAAP.

CONSOLIDATED BALANCE SHEETS

As of June 30, 2012 and 2011	USD in Thousands		NTD in Thousands	
	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011
	Total assets	127,903	40,847	3,821,736
Current assets				
Cash & cash equivalent	80,263	23,878	2,398,264	686,018
Deferred income tax	77	100	2,287	2,883
Accounts receivable-net	32,679	10,576	976,439	303,833
Inventory-net	9,033	3,793	269,912	108,981
Prepays & Others	1,226	626	36,628	17,980
Total current assets	123,278	38,973	3,683,530	1,119,695
Fixed assets	3,960	1,711	118,341	49,166
Other assets	665	163	19,865	4,686
Total liabilities	127,903	40,847	3,821,736	1,173,547
Current liabilities:				
Accounts payable	15,543	6,563	464,411	188,568
Income tax payable	6,365	784	190,183	22,528
Dividend payable	5,995	-	179,129	-
Other current liabilities	1,617	717	48,331	20,590
Accrued liabilities	7,573	2,587	226,281	74,318
Total current liabilities	37,093	10,651	1,108,335	306,004
Shareholder's equity				
Ordinary shares - par	16,740	13,407	513,809	411,522
Additional paid-in-capital	41,043	9,699	1,229,137	322,305
Retained earnings	32,733	6,898	967,070	201,665
Cumulative translation adjustment (Note 2)	294	192	3,385	(67,949)
Shareholder's equity	90,810	30,196	2,713,401	867,543
Total liability and shareholder's equity	127,903	40,847	3,821,736	1,173,547

Note 2: Minor difference was due to account classification between US GAAP and ROC GAAP.

CONSOLIDATED CASH FLOW STATEMENTS

For six months ended June 30, 2012 and 2011	USD in Thousands		NTD in Thousands	
	2012	2011	2012	2011
Net cash used in operating activities	18,291	5,798	541,235	168,779
Cash flows from investing activities:				
Acquisition of property and equipment	(2,961)	(59)	(87,928)	(2,064)
Net Cash provided by (used in) investing activities	(2,961)	(59)	(87,928)	(2,064)
Cash flow from financing activities:				
Net proceeds from issue of Ord. Shares	144	260	4,286	7,560
Net cash provided by financing activities	144	260	4,286	7,560
Adjustment of foreign exchange rate	11	31	(20,803)	(8,175)
Net increase (decrease) in cash and cash equivalents	15,485	6,030	436,790	166,100
Cash and cash equivalents at beginning of period	64,778	17,848	1,961,474	519,918
Cash and cash equivalents at end of period	80,263	23,878	2,398,264	686,018