

Parade Technologies, Ltd

CONSOLIDATED STATEMENTS OF INCOME

	USD in Thousand						NTD in Thousand					
	Sequential Quarter		Three Months ended		Six Months ended		Sequential Quarter		Three Months ended		Six Months ended	
	June 30, 2011	March 31, 2011	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	March 31, 2011	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Net Sales	17,043	14,927	17,043	12,879	31,970	21,155	491,872	437,508	491,872	410,501	929,380	674,839
Cost of good sold	8,935	7,911	8,935	7,324	16,846	12,281	257,840	231,881	257,840	233,451	489,721	391,753
Gross margin	8,109	7,016	8,109	5,554	15,124	8,874	234,032	205,627	234,032	177,050	439,659	283,086
Research & development	2,485	2,327	2,485	2,008	4,812	3,428	71,674	68,218	71,674	63,986	139,892	109,348
Sales & marketing	1,076	999	1,076	824	2,075	1,545	16,857	29,268	16,857	4,403	46,125	27,437
General & administration	899	688	899	479	1,587	860	40,153	20,162	40,153	37,113	60,315	49,287
Total operating expenses	4,460	4,014	4,460	3,310	8,474	5,833	128,684	117,648	128,684	105,502	246,332	186,072
Income(loss) from operations	3,649	3,002	3,649	2,244	6,650	3,041	105,348	87,979	105,348	71,548	193,327	97,014
Other income and expenses	14	10	14	20	23	36	175	(160)	175	507	15	923
Income(loss) before income taxes	3,662	3,011	3,662	2,264	6,674	3,077	105,523	87,819	105,523	72,055	193,342	97,937
Net Tax Expense	614	180	614	21	794	55	17,805	5,262	17,805	680	23,067	1,754
<b>Net income (loss)</b>	<b>3,048</b>	<b>2,832</b>	<b>3,048</b>	<b>2,242</b>	<b>5,880</b>	<b>3,022</b>	<b>87,718</b>	<b>82,557</b>	<b>87,718</b>	<b>71,375</b>	<b>170,275</b>	<b>96,183</b>
EPS	\$0.07	\$0.07	\$0.07	\$0.05	\$0.14	\$0.07	\$2.13	\$1.98	\$2.13	\$1.74	\$4.12	\$2.34
Diluted	41,279	41,700	41,279	41,122	41,279	41,122	41,279	41,700	41,279	41,122	41,279	41,122

CONSOLIDATED BALANCE SHEETS

For the Period ended June 30, 2011 and 2010

	USD in Thousand		NTD in Thousand	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
	2011	2010	2011	2010
<b>Current assets</b>				
Cash & cash equivalent	22,814	11,363	686,018	365,311
Restricted Cash	-	1,000	-	33,921
Short-term investment	1,064	55	2,883	1,156
Accounts receivable-net	10,575	8,803	303,833	283,004
Inventory-net	3,793	3,671	108,981	118,015
Prepays & Others	626	418	17,980	13,451
<b>Total current assets</b>	<b>38,873</b>	<b>25,310</b>	<b>1,119,695</b>	<b>814,858</b>
Fixed assets	1,711	884	47,873	27,675
Other assets	263	133	5,979	3,872
<b>Total assets</b>	<b>40,847</b>	<b>26,327</b>	<b>1,173,547</b>	<b>846,405</b>
<b>Current liabilities:</b>				
Accounts payable	6,403	6,151	188,568	216,107
Income tax payable	784	41	22,528	1,317
Other current liabilities	555	340	20,590	13,317
Accrued liabilities	2,908	1,948	74,318	41,913
<b>Total current liabilities</b>	<b>10,651</b>	<b>8,481</b>	<b>306,004</b>	<b>272,654</b>
<b>Shareholder's equity</b>				
Ordinary shares - par	13,407	1	411,522	82
Additional paid-in-capital	9,699	25,329	322,305	810,218
Retained earnings	6,898	(7,610)	201,665	(243,591)
Cumulative translation adjustment	192	124	(67,949)	7,042
<b>Shareholder's equity</b>	<b>30,196</b>	<b>17,846</b>	<b>867,543</b>	<b>573,751</b>
<b>Total liability and shareholder's equity</b>	<b>40,847</b>	<b>26,327</b>	<b>1,173,547</b>	<b>846,405</b>

CONSOLIDATED CASH FLOW STATEMENTS

For the Period ended June 30, 2011 and 2010

	USD in Thousand		NTD in Thousand	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
	2011	2010	2011	2010
<b>Cash flows from operating activities:</b>				
Net income (loss)	5,880	3,022	170,275	96,183
Depreciation and amortization	213	273	9,735	9,014
Translation Adjustment	27	(3)	-	-
Compensation Cost - Stock Option	189	204	5,495	6,503
Accounts receivable	(2,525)	(5,809)	(72,537)	(186,775)
Inventories	(869)	(1,216)	(24,973)	(39,102)
Prepaid exp and other assets	(104)	(82)	(1,178)	(2,698)
Accounts payable	1,751	3,132	50,543	105,954
Deferred disty profit	60	17	2,286	773
Accrued exp. and other liab.	274	256	7,046	2,735
Income Tax Payable	769	4	22,087	115
<b>Net cash used in operating activities</b>	<b>5,665</b>	<b>(204)</b>	<b>168,779</b>	<b>(7,298)</b>
<b>Cash flows from investing activities:</b>				
Acquisition of property and equipment	(949)	(421)	(2,064)	(14,323)
<b>Net Cash provided by (used in) investing activities</b>	<b>(949)</b>	<b>(421)</b>	<b>(2,064)</b>	<b>(14,323)</b>
<b>Cash flow from financing activities:</b>				
Net proceeds from issu. of Ord. Shares	251	363	7,560	12,200
<b>Net cash provided by financing activities</b>	<b>251</b>	<b>363</b>	<b>7,560</b>	<b>12,200</b>
Adjustment of foreign exchange rate	-	-	(8,175)	2,873
Net increase (decrease) in cash and cash equivalents	4,966	(262)	166,100	(6,548)
Cash and cash equivalents at beginning of period	17,848	11,624	519,918	371,859
<b>Cash and cash equivalents at end of period</b>	<b>22,814</b>	<b>11,363</b>	<b>686,018</b>	<b>365,311</b>