

Parade Technologies, Ltd. and Subsidiaries.

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

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

	USD in Thousands						NTD in Thousands					
	Sequential Quarter		Three Months ended		Twelve Months ended		Sequential Quarter		Three Months ended		Twelve Months ended	
	Dec 31, 2012	Sept 30, 2012	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Sept 30, 2012	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
Net Sales	31,703	48,154	31,703	29,624	161,482	79,267	924,150	1,435,955	924,150	885,051	4,780,677	2,329,664
Cost of good sold	15,982	23,327	15,982	15,141	78,501	41,233	465,877	695,627	465,877	452,576	2,323,730	1,211,849
Gross profit	15,721	24,827	15,721	14,483	82,981	38,034	458,273	740,328	458,273	432,475	2,456,947	1,117,815
Research & development expenses	4,701	4,815	4,701	3,260	18,110	10,928	137,028	143,572	137,028	98,033	535,527	321,189
Sales & marketing expenses	1,842	2,133	1,842	1,702	7,824	5,019	53,704	63,612	53,704	50,981	231,438	147,505
General & administrative expenses	1,326	1,480	1,326	1,066	5,766	3,683	38,647	44,132	38,647	32,079	170,585	108,241
Total operating expenses	7,869	8,428	7,869	6,028	31,700	19,630	229,379	251,316	229,379	181,093	937,551	576,935
Income from operations	7,852	16,399	7,852	8,455	51,281	18,404	228,894	489,012	228,894	251,382	1,519,396	540,880
Other income and expenses (Note 1)	226	15	226	18	262	14	6,597	460	6,597	544	7,675	432
Income before income taxes	8,078	16,414	8,078	8,473	51,543	18,418	235,491	489,472	235,491	251,926	1,527,071	541,312
Income taxes	489	2,949	489	1,541	8,159	3,015	14,259	87,933	14,259	45,759	242,177	88,625
Net income	7,589	13,465	7,589	6,932	43,384	15,403	221,232	401,539	221,232	206,167	1,284,894	452,687
EPS - Basic (In Dollar)	\$0.15	\$0.26	\$0.15	\$0.14	\$0.84	\$0.39	\$4.28	\$7.79	\$4.28	\$4.03	\$24.99	\$11.48
Shares used in computing EPS-Basic (In thousands)	51,671	51,520	51,671	51,158	51,413	39,432	51,671	51,520	51,671	51,158	51,413	39,432
EPS - Diluted (In Dollar)	\$0.14	\$0.25	\$0.14	\$0.13	\$0.80	\$0.32	\$4.09	\$7.43	\$4.09	\$3.83	\$23.70	\$9.41
Shares used in computing EPS-Diluted (In thousands)	54,128	54,073	54,128	53,892	54,209	48,083	54,128	54,073	54,128	53,892	54,209	48,083

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

Parade Technologies, Ltd. and Subsidiaries.

UNAUDITED CONSOLIDATED BALANCE SHEETS

For the Period ended December 31, 2012 and 2011

	USD in Thousands		NTD in Thousands	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
	Current assets			
Cash & cash equivalents	98,010	63,714	2,846,212	1,929,253
Short-term investment	1,072	-	31,121	-
Defered tax assets	2	65	47	1,961
Accounts receivable-net	23,688	20,637	687,914	624,905
Inventories	6,769	6,049	196,578	183,172
Prepays & others	2,205	1,834	64,021	55,535
Total current assets	131,746	92,299	3,825,893	2,794,826
Fixed assets	2,965	2,173	86,124	65,783
Other assets	688	160	19,981	4,852
Total assets	135,399	94,632	3,931,998	2,865,461
Current liabilities:				
Accounts payable	7,044	12,306	204,556	372,617
Income tax payable	4,662	2,790	135,380	84,471
Other current liabilities	1,906	850	55,358	25,746
Accrued liabilities	8,495	4,624	246,710	140,012
Total current liabilities	22,107	20,570	642,004	622,846
Shareholders' equity				
Ordinary shares - par	16,851	16,667	517,215	511,578
Additional paid-in-capital	42,368	40,722	1,268,137	1,219,676
Retained earnings	53,774	16,398	1,589,842	484,077
Cumulative translation adjustment (Note 2)	299	275	(85,200)	27,284
Shareholders' equity	113,292	74,062	3,289,994	2,242,615
Total liabilities and shareholders' equity	135,399	94,632	3,931,998	2,865,461

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

Parade Technologies, Ltd. and Subsidiaries.

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

For Twelve months ended December 31, 2012 and 2011

	USD in Thousands		NTD in Thousands	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
	Cash flows from operating activities:			
Net income	43,384	15,403	1,284,894	452,687
Depreciation and amortization	1,094	699	32,359	20,547
Compensation Cost - Stock Option	1,040	502	30,760	14,743
Accounts receivable	(3,051)	(12,587)	(88,601)	(381,130)
Inventories	(720)	(3,125)	(20,907)	(94,632)
Prepaid expenses and other assets	(1,379)	(1,215)	(40,047)	(36,785)
Accounts payable	(5,262)	7,502	(152,802)	227,146
Deferred distributor profit	1,056	213	30,666	6,455
Accrued expenses and other liabilities	3,872	2,282	112,431	69,112
Income tax payable	2,217	2,774	64,554	84,005
Net cash provided by operating activities	42,251	12,448	1,253,308	362,148
Cash flows from investing activities:				
Acquisition of property and equipment	(2,404)	(867)	(70,862)	(24,607)
Net Cash used in investing activities	(2,404)	(867)	(70,862)	(24,607)
Cash flow from financing activities:				
Distribution of cash dividends	(6,010)	-	(179,128)	-
Net proceeds from issuance of ordinary shares	445	34,230	13,154	995,738
Net cash (used in) provided by financing activities	(5,565)	34,230	(165,974)	995,738
Adjustments of foreign exchange rates	14	55	(99,511)	76,056
Net increase (decrease) in cash and cash equivalents	34,296	45,866	916,959	1,409,335
Cash and cash equivalents at beginning of period	63,714	17,848	1,929,253	519,918
Cash and cash equivalents at end of period	98,010	63,714	2,846,212	1,929,253