

Parade Technologies, Ltd

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, 2011	Sept 30, 2011	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Sept 30, 2011	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
Net Sales	29,624	17,673	29,624	13,518	79,267	50,528	896,131	515,233	896,131	435,596	2,329,664	1,592,528
Cost of good sold	15,141	9,246	15,141	7,738	41,233	28,983	458,025	269,552	458,025	248,698	1,211,843	913,457
Gross margin	14,483	8,427	14,483	5,780	38,034	21,545	438,106	245,681	438,106	186,898	1,117,821	679,071
Research & development	3,259	2,856	3,259	1,865	10,927	7,138	98,581	83,264	98,581	60,892	321,158	225,014
Sales & marketing	1,700	1,242	1,700	971	5,017	3,395	51,439	36,209	51,439	31,167	147,463	106,969
General & administration	1,067	1,031	1,067	866	3,684	2,404	32,274	30,037	32,274	27,692	108,277	75,762
Total operating expenses	6,026	5,129	6,026	3,703	19,629	12,936	182,294	149,510	182,294	119,751	576,899	407,745
Income(loss) from operations	8,457	3,298	8,457	2,077	18,405	8,609	255,813	96,171	255,813	67,147	540,922	271,326
Other income and expenses (Note 1)	17	7	17	15	47	63	507	(127)	507	(535)	1,387	269
Income(loss) before income taxes	8,473	3,305	8,473	2,092	18,452	8,672	256,320	96,044	256,320	66,612	542,309	271,595
Net Tax Expense	1,544	680	1,544	(61)	3,017	(0)	46,693	19,799	46,693	(1,904)	88,658	(1)
Net income (loss)	6,930	2,626	6,930	2,153	15,436	8,672	209,627	76,245	209,627	68,516	453,651	271,596
EPS - Basic (In Dollar)	\$0.14	\$0.06	\$0.14	\$0.17	\$0.39	\$0.74	\$4.10	\$1.72	\$4.10	\$5.43	\$11.50	\$23.19
Shares used in computing EPS-Basic (In thousands)	51,158	44,325	51,158	12,626	39,432	11,714	51,158	44,325	51,158	12,626	39,432	11,714
EPS - Diluted (In Dollar)	\$0.13	\$0.05	\$0.13	\$0.05	\$0.32	\$0.21	\$3.89	\$1.59	\$3.89	\$1.61	\$9.43	\$6.46
Shares used in computing EPS-Diluted (In thousands)	53,892	47,914	53,892	42,510	48,083	42,011	53,892	47,914	53,892	42,510	48,083	42,011

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

Parade Technologies, Ltd

UNAUDITED CONSOLIDATED BALANCE SHEETS For the Period ended December 31, 2011 and 2010

	USD in Thousands		NTD in Thousands	
	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
Current assets				
Cash & cash equivalent	63,709	17,848	1,929,096	519,918
Restricted Cash	-	1,000	-	30,735
Short-term investment	1,064	-	32,221	-
Defered tax assets	65	84	1,961	2,456
Accounts receivable-net	20,638	8,051	624,904	234,516
Inventory-net	6,049	2,924	183,172	85,178
Prepays & Others	770	655	23,312	17,469
Total current assets	92,294	30,562	2,794,666	890,272
Fixed assets	2,168	975	65,635	27,432
Other assets	160	101	4,839	3,923
Total assets	94,621	31,638	2,865,139	921,627
Current liabilities:				
Accounts payable	12,476	4,652	377,768	139,946
Income tax payable	2,784	15	84,458	448
Other current liabilities	666	511	20,024	18,559
Accrued liabilities	4,640	2,620	140,497	68,209
Total current liabilities	20,566	7,798	622,747	227,162
Shareholder's equity				
Ordinary shares - par	16,667	12,981	511,578	398,430
Additional paid-in-capital	40,722	9,676	1,219,676	322,342
Retained earnings	16,476	996	485,042	31,390
Cumulative translation adjustment (Note 2)	190	187	26,096	(57,697)
Shareholder's equity	74,055	23,840	2,242,392	694,465
Total liability and shareholder's equity	94,621	31,638	2,865,139	921,627

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

Parade Technologies, Ltd

UNAUDITED CONSOLIDATED CASH FLOW STATEMENTS For the Period ended December 31, 2011 and 2010

	USD in Thousands		NTD in Thousands	
	Dec 31, 2011	Dec 31, 2010	Dec 31, 2011	Dec 31, 2010
Cash flows from operating activities:				
Net income (loss)	15,436	8,672	453,651	271,596
Depreciation and amortization	606	571	18,349	17,187
Translation Adjustment	48	15	1,448	-
Compensation Cost - Stock Option	504	330	15,251	10,410
Accounts receivable	(12,587)	(5,058)	(381,130)	(147,326)
Inventories	(3,125)	(470)	(94,632)	(13,678)
Prepaid exp and other assets	(271)	(316)	(8,191)	(9,026)
Accounts payable	7,823	1,633	236,894	40,140
Defered disty profit	156	174	4,712	7,193
Accrued exp. and other liab.	2,016	942	61,032	32,710
Income Tax Payable	2,836	(22)	85,784	(641)
Net cash used in operating activities	13,441	6,471	393,168	208,565
Cash flows from investing activities:				
Acquisition of property and equipment	(1,798)	(810)	(54,458)	(24,683)
Net Cash provided by (used in) investing activities	(1,798)	(810)	(54,458)	(24,683)
Cash flow from financing activities:				
Net proceeds from issu. of Ord. Shares	34,219	562	1,036,159	18,333
Net cash provided by financing activities	34,219	562	1,036,159	18,333
Adjustment of foreign exchange rate			34,309	(54,156)
Net increase (decrease) in cash and cash equivalents	45,862	6,223	1,409,178	148,059
Cash and cash equivalents at beginning of period	17,847	11,624	519,918	371,859
Cash and cash equivalents at end of period	63,709	17,847	1,929,096	519,918