

Teco Image Systems Co., Ltd and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Six Months ended Jun. 30,2013 and 2012

In Thousands of New Taiwan Dollars, Except Earnings Per Share

	2013	%	2012	%
<i>TOTAL SALES REVENUE, NET</i>	1,327,595	100	1,789,723	100
<i>TOTAL COST OF SALES</i>	(1,085,101)	(82)	(1,428,130)	(80)
<i>GROSS PROFIT</i>	242,494	18	361,593	20
<i>OPERATING EXPENSES</i>				
<i>Selling expenses</i>	(57,408)	(4)	(38,287)	(2)
<i>General and administrative expenses</i>	(99,644)	(8)	(90,588)	(5)
<i>R&D expenses</i>	(139,222)	(10)	(253,900)	(14)
<i>Total operating expenses</i>	(296,274)	(22)	(382,775)	(21)
<i>OPERATING PROFIT (LOSS)</i>	(53,780)	(4)	(21,182)	(1)
<i>NON-OPERATING REVENUE AND EXPENSES</i>				
<i>Other income</i>	5,596	-	6,020	-
<i>Other gains and losses</i>	7,224	1	16,746	1
<i>Finance costs</i>	(1,176)	-	(186)	-
<i>Total non-operating revenue and expenses</i>	11,644	1	22,580	1
<i>PROFIT BEFORE INCOME TAX</i>	(42,136)	(3)	1,398	-
<i>Income tax expenses</i>	(3,079)	(1)	(23,502)	(1)
<i>NET INCOME</i>	(45,215)	(4)	(22,104)	(1)
<i>OTHER COMPREHENSIVE INCOME (LOSS)</i>				
<i>Financial statements translation differences of foreign operations</i>	6,139	1	1,632	-
<i>Unrealized gain (loss) on valuation of available-for-sale financial assets</i>	136,410	10	26,181	1
<i>Total comprehensive income for the year</i>	97,334	7	5,709	-
<i>NET INCOME (LOSS) ATTRIBUTABLE TO:</i>				
<i>Shareholders of the parent</i>	(39,242)	(4)	(11,380)	-
<i>Noncontrolling interests</i>	(5,973)	-	(10,724)	(1)
<i>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</i>				
<i>Shareholders of the parent</i>	101,846	8	17,184	1
<i>Noncontrolling interests</i>	(4,512)	-	(11,475)	(1)
<i>EARNINGS PER SHARE</i>				
<i>Basic earnings per share</i>	(0.35)		(0.10)	
<i>Diluted earnings per share</i>	(0.35)		(0.10)	

Teco Image Systems Co., Ltd and Subsidiaries
Consolidated Balance Sheets
Jun 30, 2013 and 2012

In Thousands of New Taiwan Dollars

	<u>2013.06.30</u>	<u>%</u>	<u>2012.06.30</u>	<u>%</u>		<u>2013.06.30</u>	<u>%</u>	<u>2012.06.30</u>	<u>%</u>
<u>ASSETS</u>					<u>LIABILITIES AND SHAREHOLDERS EQUITY</u>				
<u>CURRENT ASSETS</u>					<u>CURRENT LIABILITIES</u>				
Total cash and cash equivalents	470,262	18	373,998	13	Total short-term borrowings	81,625	3	64,425	2
Total current financial assets at fair value through profit or loss	165,662	6	217,269	8	Total notes payable	68,404	3	58,662	2
Notes receivable, net	3,103	-	4,862	-	Total accounts payable	443,778	17	517,377	18
Accounts receivable, net	490,107	19	838,551	30	Total accounts payable to related parties	5,326	-	74,803	3
Other receivables, net	39,441	2	23,366	1	Total other payables	234,000	9	349,284	12
Total current tax assets	-	-	-	-	Current tax liabilities	9,689	-	-	-
Total Inventories	447,433	17	498,876	18	Total current provisions	21,397	1	21,306	1
Total prepayments	70,772	3	33,902	1	Total other current liabilities	69,878	3	154,289	6
Total other current assets	18,521	1	14,766	-					
Total Current Assets	<u>1,705,301</u>	<u>66</u>	<u>2,005,590</u>	<u>71</u>	Total current liabilities	<u>934,097</u>	<u>36</u>	<u>1,240,146</u>	<u>44</u>
					<u>NON-CURRENT LIABILITIES</u>				
					Total deferred income tax liabilities	-	-	1,259	-
					Total other non-current liabilities	85,039	3	80,814	3
					Total non-current liabilities	<u>85,039</u>	<u>3</u>	<u>82,073</u>	<u>3</u>
					Total liabilities	<u>1,019,136</u>	<u>39</u>	<u>1,322,219</u>	<u>47</u>
					<u>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</u>				
					Share capital				
					Share capital - common stock	1,125,365	44	1,125,365	40
					Retained earnings				
					Legal reserve	282,280	11	287,192	10
					Special reserve	143,590	6	109,179	4
					Unappropriated retained earnings (accumulated deficit)	(95,451)	(4)	(59,435)	(2)
					Other equity				
					Other equity	30,515	1	(61,349)	(2)
					Total equity attributable to shareholders of the parent	<u>1,486,299</u>	<u>58</u>	<u>1,400,952</u>	<u>50</u>
					<u>NONCONTROLLING INTERESTS</u>				
					Total equity	<u>84,880</u>	<u>3</u>	<u>85,302</u>	<u>3</u>
					Total equity	<u>1,571,179</u>	<u>61</u>	<u>1,486,254</u>	<u>53</u>
					<u>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</u>				
TOTAL ASSETS	<u>2,590,315</u>	<u>100</u>	<u>2,808,473</u>	<u>100</u>		<u>2,590,315</u>	<u>100</u>	<u>2,808,473</u>	<u>100</u>