

Unaudited Financial Results
HOLY STONE ENTERPRISE COMPANY LIMITED and SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
March 31, 2013, December 31 and March 31, 2012
(Expressed in thousands of New Taiwan Dollars)

Assets	31.03.2013		31.12.2012		31.03.2012		01.01.2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Current Assets:								
Cash and Cash Equivalents	\$ 3,245,879	24	3,025,810	22	3,121,089	22	2,941,203	21
Financial Assets at Fair Value through Profit or Loss - Current*	638,710	5	440,221	3	404,943	3	336,353	2
Notes and Accounts Receivable, net	2,944,473	21	3,157,032	23	3,481,859	24	3,743,446	26
Inventories	1,988,008	14	2,055,921	15	2,208,111	15	2,251,483	16
Prepaid Expenses and Other Current Assets*	147,587	1	99,398	1	68,870	-	66,042	-
Held-for-sale Noncurrent Assets	-	-	-	-	-	-	30,000	-
Other Financial Assets - Current	136,436	1	187,284	1	174,998	2	216,974	1
Total Current Assets	9,101,093	66	8,965,666	65	9,459,870	66	9,585,501	66
Noncurrent Assets:*								
Available-for-sale Financial Assets - Noncurrent	607,241	4	495,284	3	585,265	4	509,456	4
Financial Assets Carried at Cost - Noncurrent	252,992	2	552,992	4	550,060	4	550,060	4
Property, Plant and Equipment*	3,006,554	22	3,035,586	22	2,946,077	21	2,954,309	20
Intangible Assets	581,156	4	575,084	4	587,467	4	598,577	4
Deferred Income Tax Assets*	34,811	-	38,143	-	35,506	-	32,366	-
Prepaid Expense on Equipment*	263,253	2	209,993	2	198,564	1	233,178	2
Other Noncurrent Assets - Others	17,639	-	18,513	-	16,800	-	18,971	-
Total Noncurrent Assets*	4,763,646	34	4,925,595	35	4,919,739	34	4,896,917	34
Total Assets*	\$ 13,864,739	100	13,891,261	100	14,379,609	100	14,482,418	100

Liabilities and Equity	31.03.2013		31.12.2012		31.03.2012		01.01.2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Current Liabilities:								
Short-term Loans	\$ 1,883,293	14	2,116,071	15	1,830,087	13	1,696,007	12
Financial Liabilities at Fair Value through Profit or Loss - Current*	5,163	-	1,417	-	1,987	-	4,033	-
Notes and Accounts Payable*	1,013,859	7	1,190,931	9	1,219,182	8	1,533,100	11
Accounts Payable - Related Parties*	8,438	-	6,200	-	9,844	-	23,026	-
Current Period Income Tax Liability*	49,004	-	23,016	-	34,224	-	24,159	-
Accrued Expenses and Other Current Liabilities*	462,971	3	452,752	3	478,902	3	526,724	4
Current Portion of Puttable Corporate Bonds*	101,618	1	101,300	1	561,197	4	567,863	4
Current Portion of Long-term Debt Payable	43,665	-	80,805	1	155,089	1	152,450	1
Total Current Liabilities	3,568,011	25	3,972,492	29	4,290,512	29	4,527,362	32
Noncurrent Liabilities:*								
Long-term Loans	186,816	1	238,596	2	177,827	2	217,050	2
Deferred Income Tax Liabilities*	47,194	-	48,159	-	44,775	-	54,776	-
Accrued Pension Liabilities*	62,076	-	62,076	-	-	-	-	-
Other Noncurrent Liabilities - Others	1,429	-	1,429	-	17,292	-	17,292	-
Total Noncurrent Liabilities*	297,515	1	350,260	2	239,894	2	289,118	2
Total Liabilities*	3,865,526	26	4,322,752	31	4,530,406	31	4,816,480	34
Equity Attributable to Parent Company:								
Common Stock	3,202,175	23	3,202,175	23	3,202,175	22	3,202,175	22
Capital Surplus*	3,691,375	27	3,681,259	27	3,673,060	26	3,669,842	25
Retained Earnings:								
Legal Reserve	936,212	7	936,212	7	860,061	6	860,061	6
Unappropriated Earnings*	1,187,289	9	1,018,563	7	1,316,460	9	1,160,995	8
Total Retained Earnings*	2,123,501	16	1,954,775	14	2,176,521	15	2,021,056	14
Other Equity:								
Exchange Differences on Translation of Financial Statements of Foreign Operations*	(17,011)	-	(27,010)	-	(5,077)	-	32,119	-
Unrealized gains and losses on Available-for-sale Financial Assets*	264,765	2	196,930	1	243,376	2	202,477	1
Total Other Equity*	247,754	2	169,920	1	238,299	2	234,596	1
Treasury Stock	(30,842)	-	(30,842)	-	(30,842)	-	(30,842)	-
Total Equity Attributable to Stockholders of Parent Company*	9,233,963	68	8,977,287	65	9,259,213	65	9,096,827	62
Non-Controlling Equity*	765,250	6	591,222	4	589,990	4	569,111	4
Total Equity*	9,999,213	74	9,568,509	69	9,849,203	69	9,665,938	66
Total Liabilities and Equity*	\$ 13,864,739	100	13,891,261	100	14,379,609	100	14,482,418	100

Note: Accounts and amounts were properly adjusted due to the adoption of IFRS in 2013.

HOLY STONE ENTERPRISE COMPANY LIMITED
CONSOLIDATED CONDENSED INCOME STATEMENT
For the Three Months ended March 31, 2013

	1Q 2013		4Q 2012		1Q 2012		QoQ		YoY	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	\$ 3,314,541	100.0	3,615,350	100.0	3,443,057	100.0	(300,809)	(8.3)	(128,516)	(3.7)
Cost of Goods Sold	(2,852,843)	(86.1)	(3,230,561)	(89.4)	(3,012,456)	(87.5)	377,718	(11.7)	159,613	(5.3)
Gross Profit	461,698	13.9	384,789	10.6	430,601	12.5	76,909	20.0	31,097	7.2
Operating Expenses*	(303,458)	(9.1)	(309,763)	(8.6)	(288,973)	(8.4)	6,305	(2.0)	(14,485)	5.0
Operating Income*	158,240	4.8	75,026	2.1	141,628	4.1	83,214	110.9	16,612	11.7
Non-Operating Income and Expense	28,437	0.8	87,526	2.4	32,497	1.0	(59,089)	(67.5)	(4,060)	(12.5)
Income before Income Tax*	186,677	5.6	162,552	4.5	174,125	5.1	24,125	14.8	12,552	7.2
Less: Income Tax	(30,695)	(0.9)	(29,735)	(0.8)	(22,507)	(0.7)	(960)	3.2	(8,188)	36.4
Net Income	\$ 155,982	4.7	132,817	3.7	151,618	4.4	23,165	17.4	4,364	2.9
Attributable to Parent Company	\$ 0.53		0.44		0.49					
Basic Earnings per Share - after tax (NT Dollars)										

Note: EPS calculation is based on the weighted average outstanding shares at the end of each quarter.

Note: Accounts and amounts were properly adjusted due to the adoption of IFRS in 2013.*

Unaudited Financial Results
HOLY STONE ENTERPRISE COMPANY LIMITED and SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

For the Three Months ended March 31, 2013 and 2012

(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	January to March, 2013		January to March, 2012		YoY
	Amount	%	Amount	%	%
Net Sales	\$ 3,314,541	100	3,443,057	100	(4)
Cost of Goods Sold	2,852,843	86	3,012,456	87	(5)
Gross Profit	461,698	14	430,601	13	7
Operating Expense					
Selling and Administrative*	260,521	8	255,387	7	2
Research and Development	42,937	1	33,586	1	28
Total Operating Expense*	303,458	9	288,973	8	5
Operating Income*	158,240	5	141,628	5	12
Non-Operating Income and Expenses:					
Other Gains and Losses*	25,799	1	36,417	1	(29)
Financial Costs*	(5,554)	-	(6,854)	-	(19)
Interest Income	8,192	-	2,934	-	179
Total Non-Operating Income and Expenses	28,437	1	32,497	1	(12)
Income before Income Tax*	186,677	6	174,125	6	7
Less: Income Tax Expense	30,695	1	22,507	1	36
Net Income for Current Period*	155,982	5	151,618	5	3
Other Comprehensive Gains and Losses:					
Exchange Differences on Translation of Financial Statements of Foreign Operations*	11,654	-	(45,116)	(1)	(126)
Unrealized Valuation Gains on Available-for-sale Financial Assets*	113,442	3	75,809	2	50
Less: Income Tax related to Other Comprehensive Gains and Losses*	2,048	-	(7,619)	-	(127)
Other Comprehensive Gains and Losses (Net of Tax)*	123,048	3	38,312	1	221
Total Comprehensive Profit or Loss for Current Period*	\$ 279,030	8	189,930	6	47
Net Income Attributable to:					
Stockholders of Parent Company*	\$ 168,726	5	155,465	5	9
Non-Controlling Equity*	(12,744)	-	(3,847)	-	231
	\$ 155,982	5	151,618	5	3
Comprehensive Profit or Loss Attributable to:					
Stockholders of Parent Company*	\$ 246,560	7	159,168	5	55
Non-Controlling Equity*	32,470	1	30,762	1	6
	\$ 279,030	8	189,930	6	47
Earnings per Share (Unit: NT Dollar)					
Basic Earnings per Share*	\$	0.53		0.49	
Diluted Earnings per Share*	\$	0.52		0.46	

Note: Accounts and amounts were properly adjusted due to the adoption of IFRS in 2013.

Unaudited Financial Results
HOLY STONE ENTERPRISE COMPANY LIMITED and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER EQUITY
For the Three Months Ended March 31, 2013 and 2012
(Figures in thousand of New Taiwan Dollars)

	Equity Attributable to Stockholders of Parent Company									
	Retained Earnings				Other Equity			Total Equity Attributable to Stockholders of Parent Company*	Non- Controlling Equity*	Total Equity
	Common Stock	Capital Surplus	Legal Reserve	Unappropriated Earnings*	Exchange Differences on Translation of Financial Statements of Foreign Operations*	Unrealized Gain (Loss) on Available-for-sale Financial Products*	Treasury Stock			
Beginning Balance, January 1, 2012	\$ 3,202,175	3,669,842	860,061	1,160,995	32,119	202,477	(30,842)	9,096,827	569,111	9,665,938
Other changes in Capital Surplus:	-									
Equity component from issuance of Convertible Bonds										
- Stock Options*	-	(494)	-	-	-	-	-	(494)	-	(494)
Net Income for Current Period	-	-	-	155,465	-	-	-	155,465	(3,847)	151,618
Other Comprehensive Profit or Loss for Current Period	-	-	-	-	(37,196)	40,899	-	3,703	34,609	38,312
Total Other Comprehensive Profit or Loss for Current Period	-	-	-	155,465	(37,196)	40,899	-	159,168	30,762	189,930
Share-based Payment Transactions*	-	3,712	-	-	-	-	-	3,712	-	3,712
Changes in Non-Controlling Equity*	-	-	-	-	-	-	-	-	(9,883)	(9,883)
Ending Balance, March 31, 2012	\$ 3,202,175	3,673,060	860,061	1,316,460	(5,077)	243,376	(30,842)	9,259,213	589,990	9,849,203
Beginning Balance, January 1, 2013	\$ 3,202,175	3,681,259	936,212	1,018,563	(27,010)	196,930	(30,842)	8,977,287	591,222	9,568,509
Net Income for Current Period	-	-	-	168,726	-	-	-	168,726	(12,744)	155,982
Other Comprehensive Profit or Loss for Current Period	-	-	-	-	9,999	67,835	-	77,834	45,214	123,048
Total Other Comprehensive Profit or Loss for Current Period	-	-	-	168,726	9,999	67,835	-	246,560	32,470	279,030
Difference between Option Price and Book Value of the Acquisition or Disposal of Subsidiaries' Equity	-	8,567	-	-	-	-	-	8,567	-	8,567
Share-based Payment Transactions	-	1,549	-	-	-	-	-	1,549	-	1,549
Changes in Non-Controlling Equity	-	-	-	-	-	-	-	-	141,558	141,558
Ending Balance, March 31, 2013	\$ 3,202,175	3,691,375	936,212	1,187,289	(17,011)	264,765	(30,842)	9,233,963	765,250	9,999,213

Note: Accounts and amounts were properly adjusted due to the adoption of IFRS in 2013.

Unaudited Financial Results
HOLY STONE ENTERPRISE COMPANY LIMITED and SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW

For the Three Months ended March 31, 2013 and 2012

(Expressed in thousands of New Taiwan Dollars)

	<u>January to March, 2013</u>	<u>2012</u>
Cash Flows generated from Operating activities:		
Income before Income Tax for Current Period*	\$ 186,677	174,125
Adjusted Items:		
Incomes or Expenses that do not affect Cash Flow*		
Depreciation	76,638	67,756
Amortization*	2,822	2,894
Interest Expense*	5,554	6,854
Interest Income*	(8,192)	(2,934)
Costs of Share-based Compensation*	1,549	3,712
Loss (gain) on Disposal and Scrap of Property and Equipment*	(1,408)	37
Total Incomes or Expenses that do not affect Cash Flow*	<u>76,963</u>	<u>78,319</u>
Change in Assets and Liabilities related to Operating Activities:		
Net Change in Assets related to Operating Activities:		
Financial Assets at Fair Value through Profit or Loss*	(198,489)	(68,560)
Inventory*	67,913	43,372
Notes and Accounts Receivable	212,559	261,587
Prepaid Expenses and Other Current Assets*	(45,566)	(2,817)
Other Financial Assets	50,848	41,976
Total of Net Change in Assets related to Operating Activities*	<u>87,265</u>	<u>275,558</u>
Net Change in Liabilities related to Operating Activities:		
Financial Liabilities at Fair Value through Profit or Loss*	3,746	(2,046)
Notes and Accounts Payable	(177,072)	(320,384)
Accounts Payable - Related Parties	2,238	(6,716)
Accrued Expenses and Other Current Liabilities*	40,181	(33,974)
Total Net Change in Liabilities related to Operating Activities*	<u>(130,907)</u>	<u>(363,120)</u>
Total Net Change in Assets and Liabilities related to Operating Activities*	<u>(43,642)</u>	<u>(87,562)</u>
Total of Adjusted Items*	<u>33,321</u>	<u>(9,243)</u>
Cash Flow generated from Operations*	219,998	164,882
Interest Received*	5,569	2,923
Interest Paid*	(6,057)	(4,324)
Income Tax Paid*	(4,379)	(18,007)
Net Cash Flows generated from Operating activities*	<u>215,131</u>	<u>145,474</u>
Cash Flows generated from Investing Activities:		
Sale of Available-for-sale Financial Assets	1,485	-
Sale of Financial Assets carried at Cost	300,000	-
Acquisition of Property and Equipments*	(135,995)	(61,292)
Sale of Property and Equipments*	3,761	40,430
Acquisition of Intangible Assets*	(86)	(112)
Decrease in Other Noncurrent Assets*	623	504
Net Cash Flows generated from (used in) Investing Activities*	<u>169,788</u>	<u>(20,470)</u>
Cash Flows generated from Financing Activities:		
Increase in Short-term Loans	-	134,080
Decrease in Short-term Loans*	(232,778)	-
Repayments on Bonds	-	(8,975)
Repayments on Long-term Loans	(88,920)	(36,584)
Changes in Non-Controlling Equity*	150,125	(9,883)
Net Cash Flows generated from (used in) Financing Activities*	<u>(171,573)</u>	<u>78,638</u>
Effect of Exchange Rate Changes in Cash and Cash Equivalents*	6,723	(23,756)
Increase in Cash and Cash in Banks	<u>220,069</u>	<u>179,886</u>
Cash and Cash in Banks at Beginning of the Period	<u>3,025,810</u>	<u>2,941,203</u>
Cash and Cash in Banks at End of the Period	<u>\$ 3,245,879</u>	<u>3,121,089</u>

Note: Accounts and amounts were properly adjusted due to the adoption of IFRS in 2013.