



TATUNG (2371.TT) announces net sales for August of 2012.

Unit: NT\$ Million	2012 / 08	Rev(%)	MoM	YoY	2012 /1-7	Rev(%)	YoY
Power BG	1,329	54%	3%	-13%	10,193	46%	-14%
Consumer BG	902	37%	-26%	-50%	9,933	45%	-14%
System BG	233	9%	-12%	-20%	2,061	9%	-28%
Net Sales	2,465	100%	-11%	-32%	22,187	100%	-15%

Sales for August of 2012 were NT\$2,465 million, decreasing 11% month over month. Sales in the first 8 months of 2012 decreased 15% from the same period of 2011.

Power BG

- ◆ Sales in August 2012, accounting for 54% of total sales, increased 3% MoM. This was mainly because sales in cable & wire and motor products were better than that of last month.
- ◆ Increased orders for fiber cables have enhanced capacity utilization and thus sales performance. Strong offshore demand for motors has not only lifted exports sales, but also is expected to benefit profitability in the second half of the year and 2013. We will continue to work closely with domestic consulting firms to hunt for construction opportunities from offshore power plants and transformer stations to achieve growth in sales and profits.

Consumer BG

- ◆ Sales in August 2012, accounting for 37% of total sales, decreased 26% MoM. This was mainly due to the adjustment of export sales for LCD monitors and reduction of low-margin ODM business. Given that the government's subsidy program was ended, we would make strict inventory control on air conditioners and energy-saving TV products.
- ◆ In response to increasing petro and electricity price, we have launched energy saving products such as LED lighting, level 1 and 2 energy-saving air conditioners, inverter refrigerators, inverter washing machines and energy-saving LCD TVs to the market. We have developed developed a series of winter products in preparation for exploring Q4 business opportunity.

System BG

- ◆ Sales in August 2012, accounting for 9% of total sales, decreased 12% from last month. This was mainly because big awarded projects usually require longer completion time. We will closely monitor and execute our projects; and we will try hard to complete those projects timely and thus make contribution to revenue and profitability in the year.
- ◆ Given that reduced government budget in ICT system projects, we will cooperate with foreign partners to expand into other growing segments. We will also integrate products and services in Power BG for a total solution in achieving mechatronics systems projects. We are the only system integrator has regional offices for installations and after-sales services. We will use this competitive advantage to capture more business opportunities in energy-saving integration programs.

This announcement is drawn up in Chinese and English. If there should be any discrepancy or contradiction in between, the Chinese version will be prior to the English one.