

Hermes Microvision Inc. (HMI)

2012 Second Quarter Investor Conference

August 28, 2012

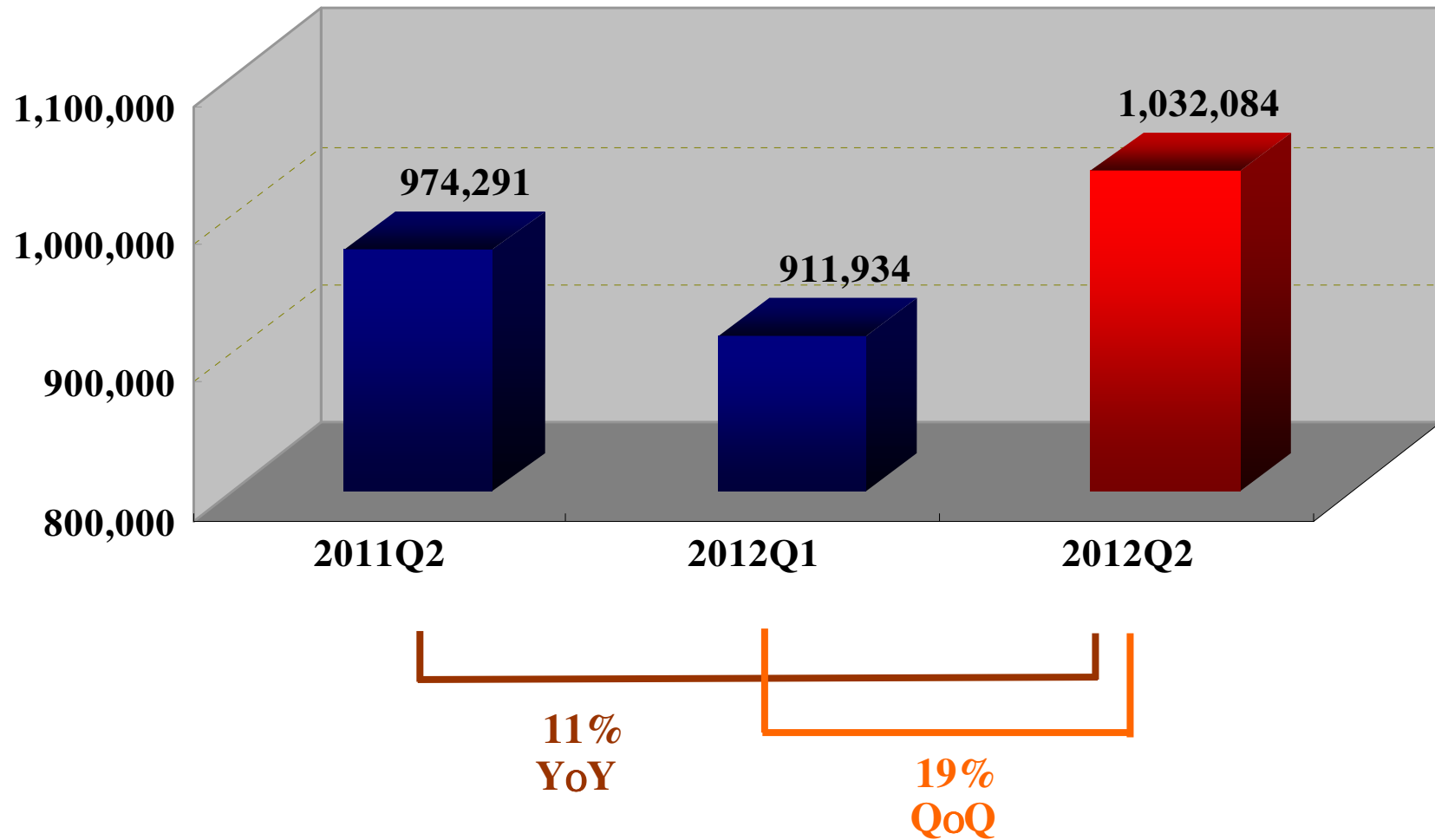
Safe Harbor Statement

- This presentation contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. HMI's forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements. You should consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements.
- In addition, any financial information contained herewithin is presented in conformity with accounting principles generally accepted in the Republic of China ("ROC GAAP").
- Our release of financial forecasts and forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forecasts or forward-looking statements, whether as a result of new information, future events or otherwise.

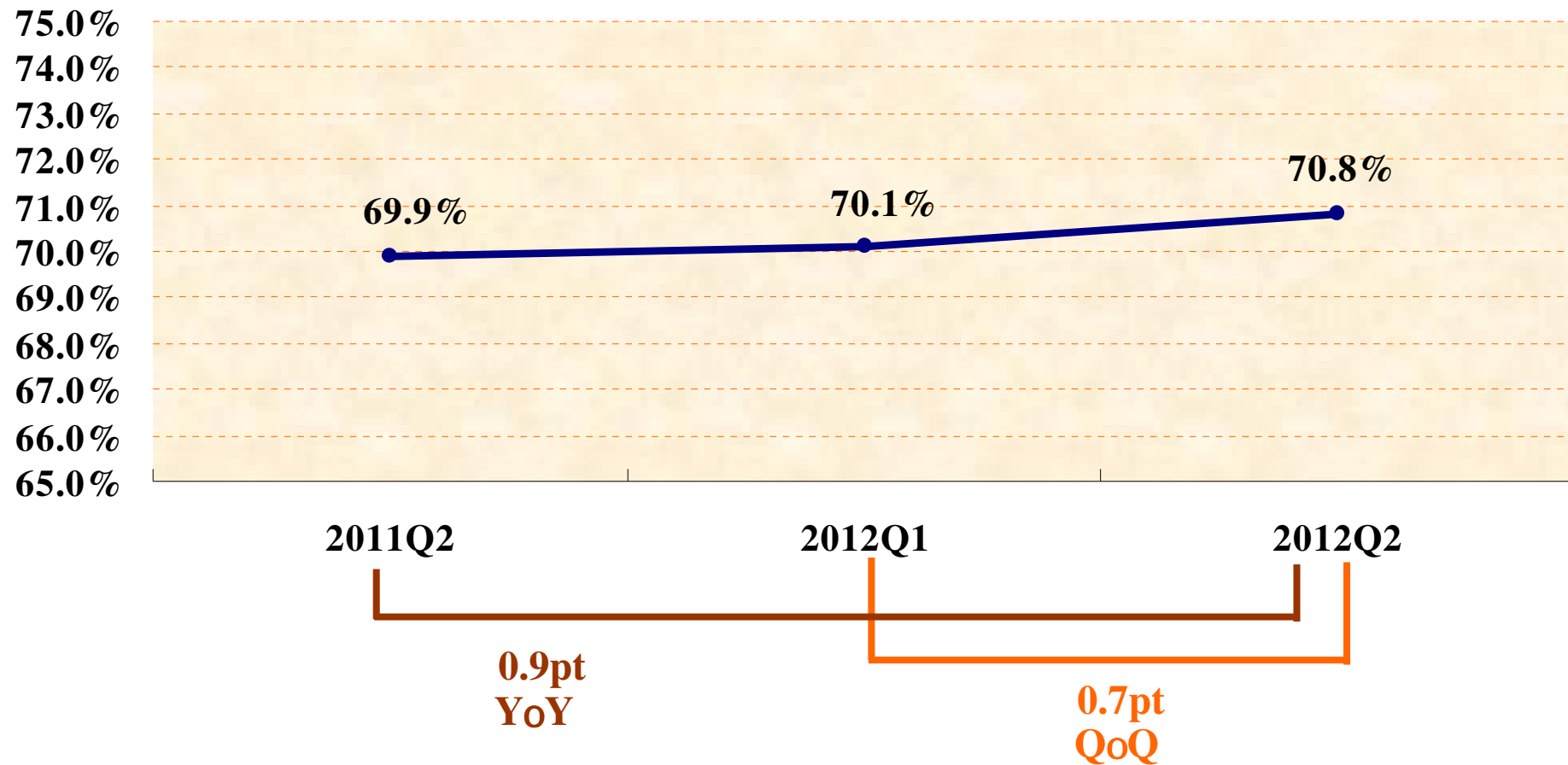
Revenue (Consolidated)

Page 3

(NT\$K)



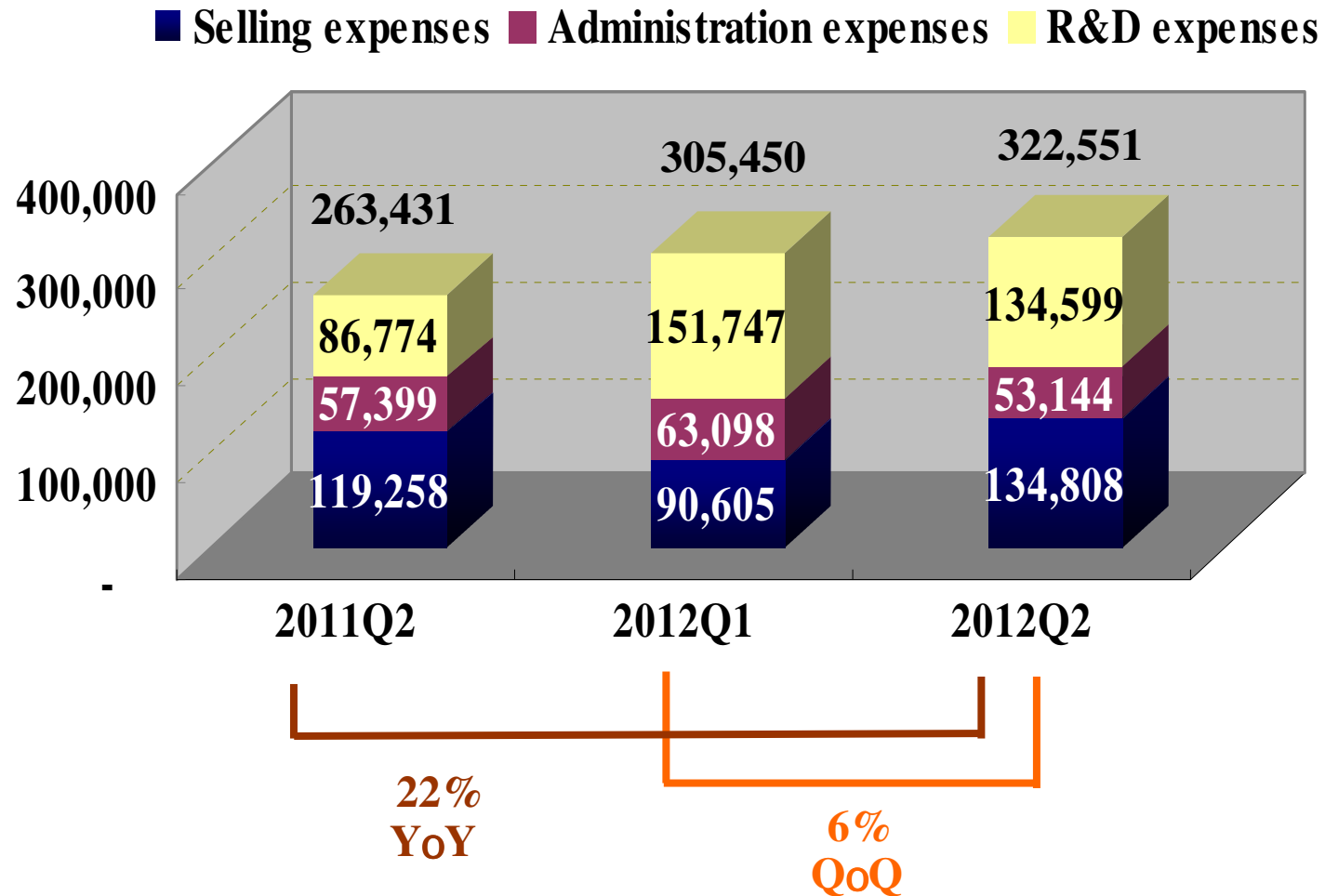
Gross Margin (Consolidated)



Operating Expenses (Consolidated)

Page 5

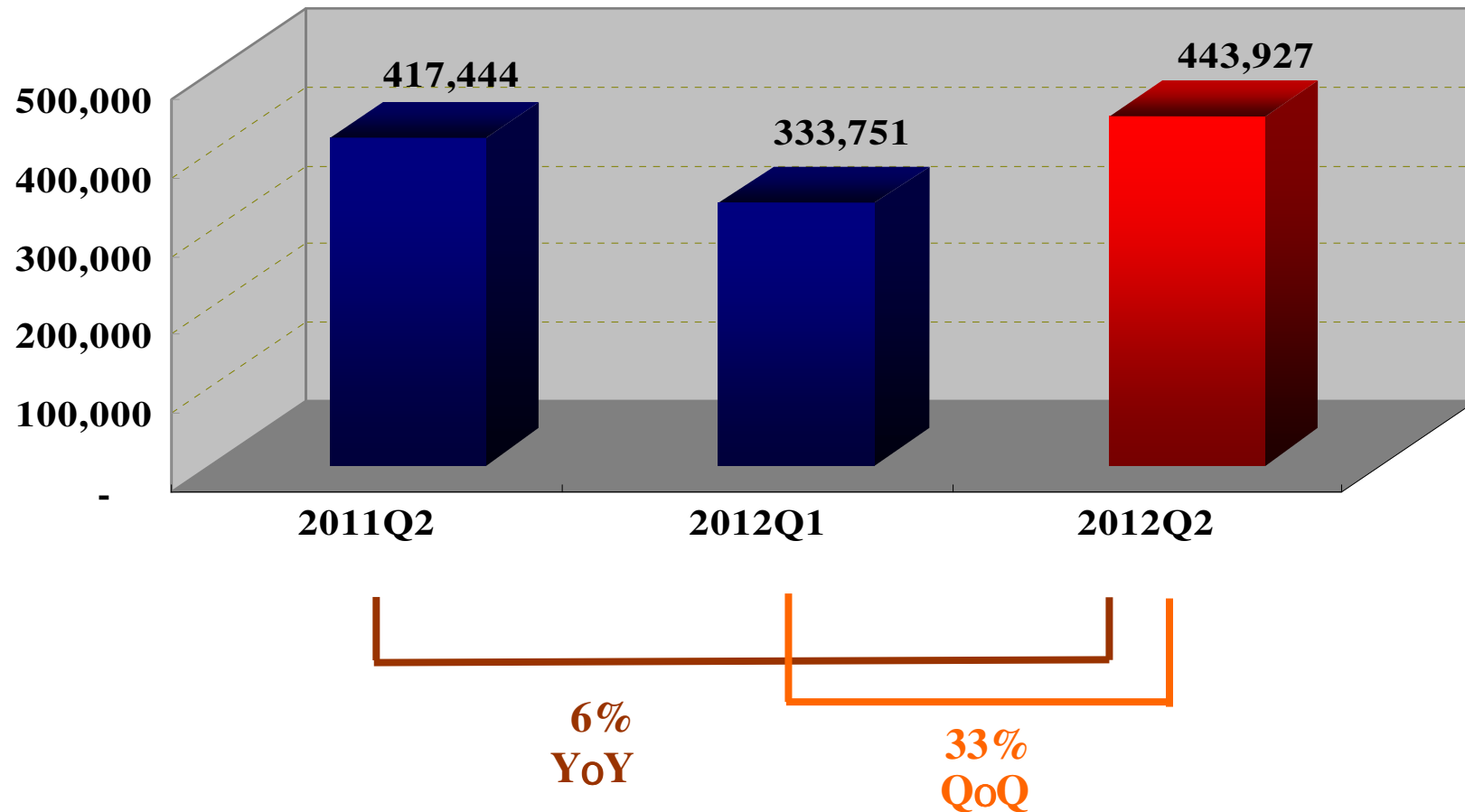
(NT\$K)



Operating Income (Consolidated)

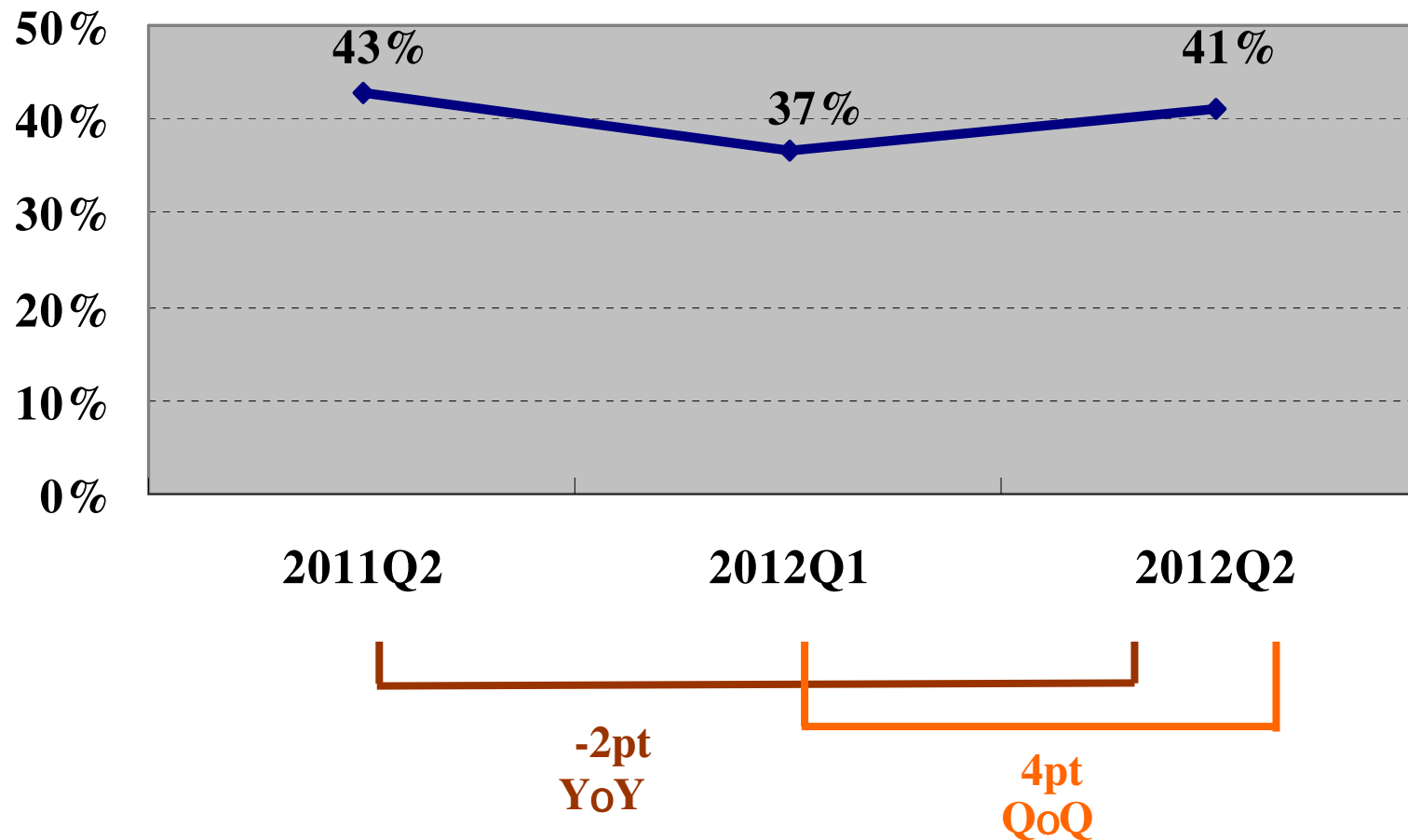
Page 6

(NT\$K)



Operating Margin (Consolidated)

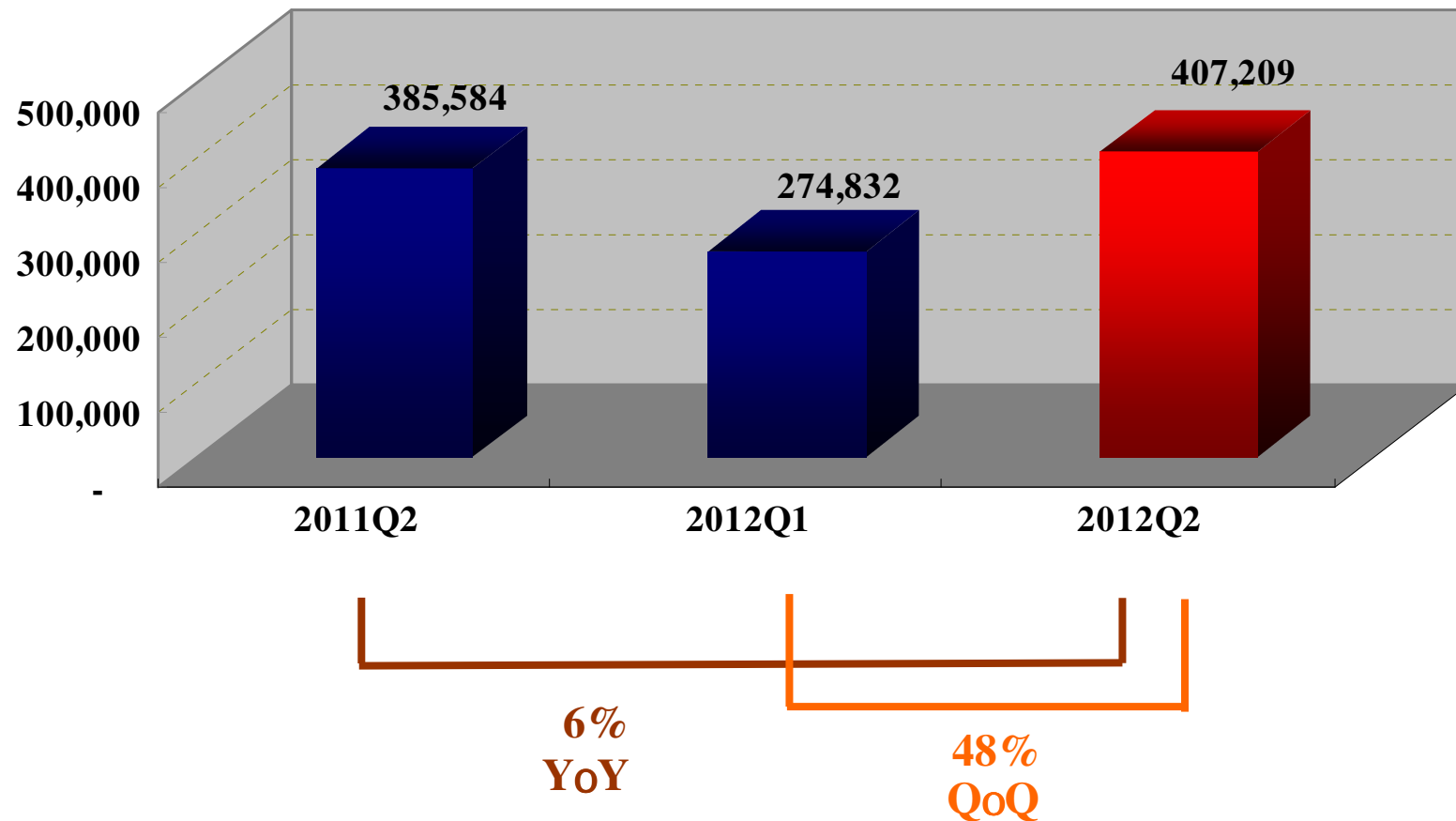
Page 7



Net Income after tax (Consolidated)

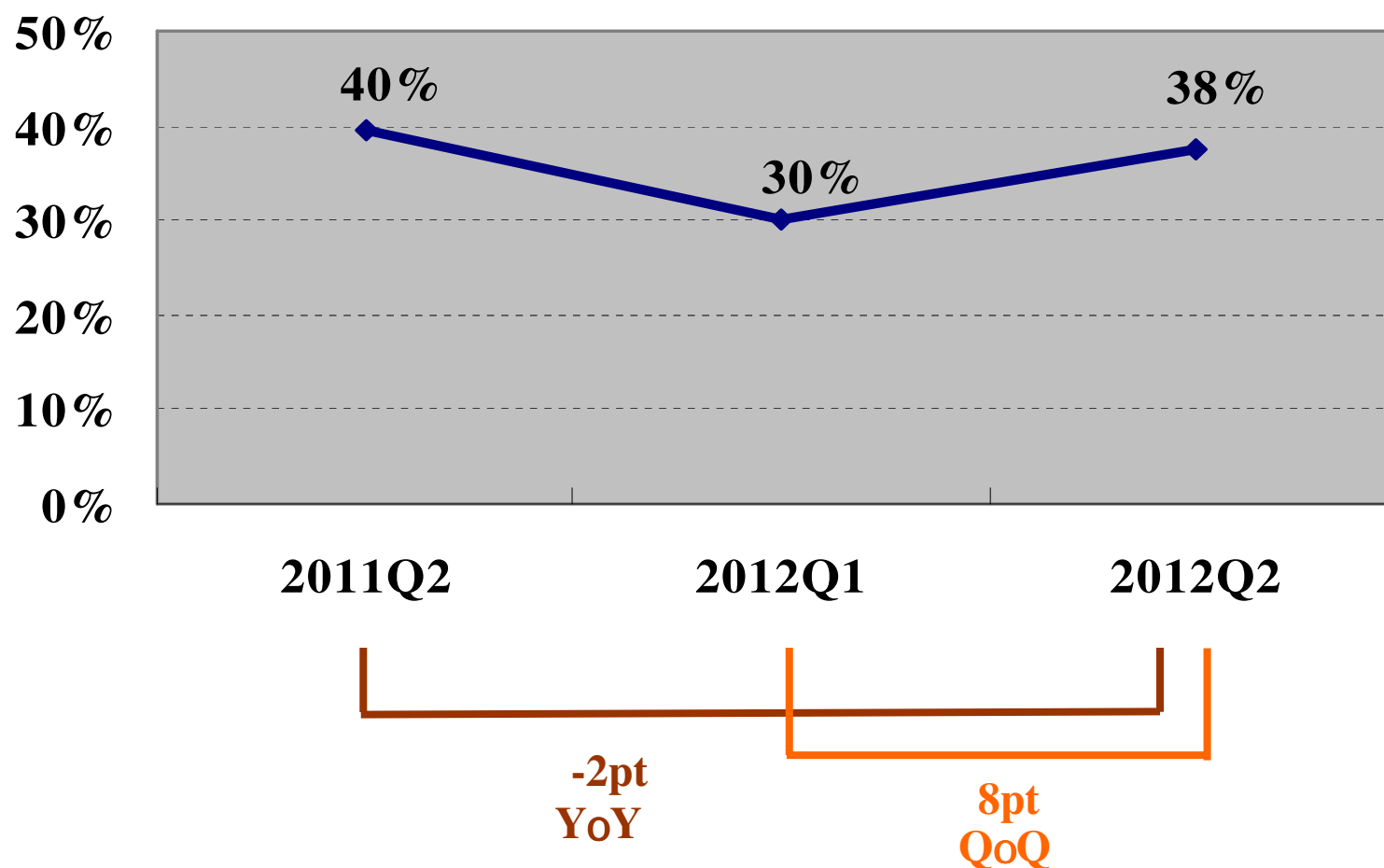
Page 8

(NT\$K)



Margin of Net Income after tax (Consolidated)

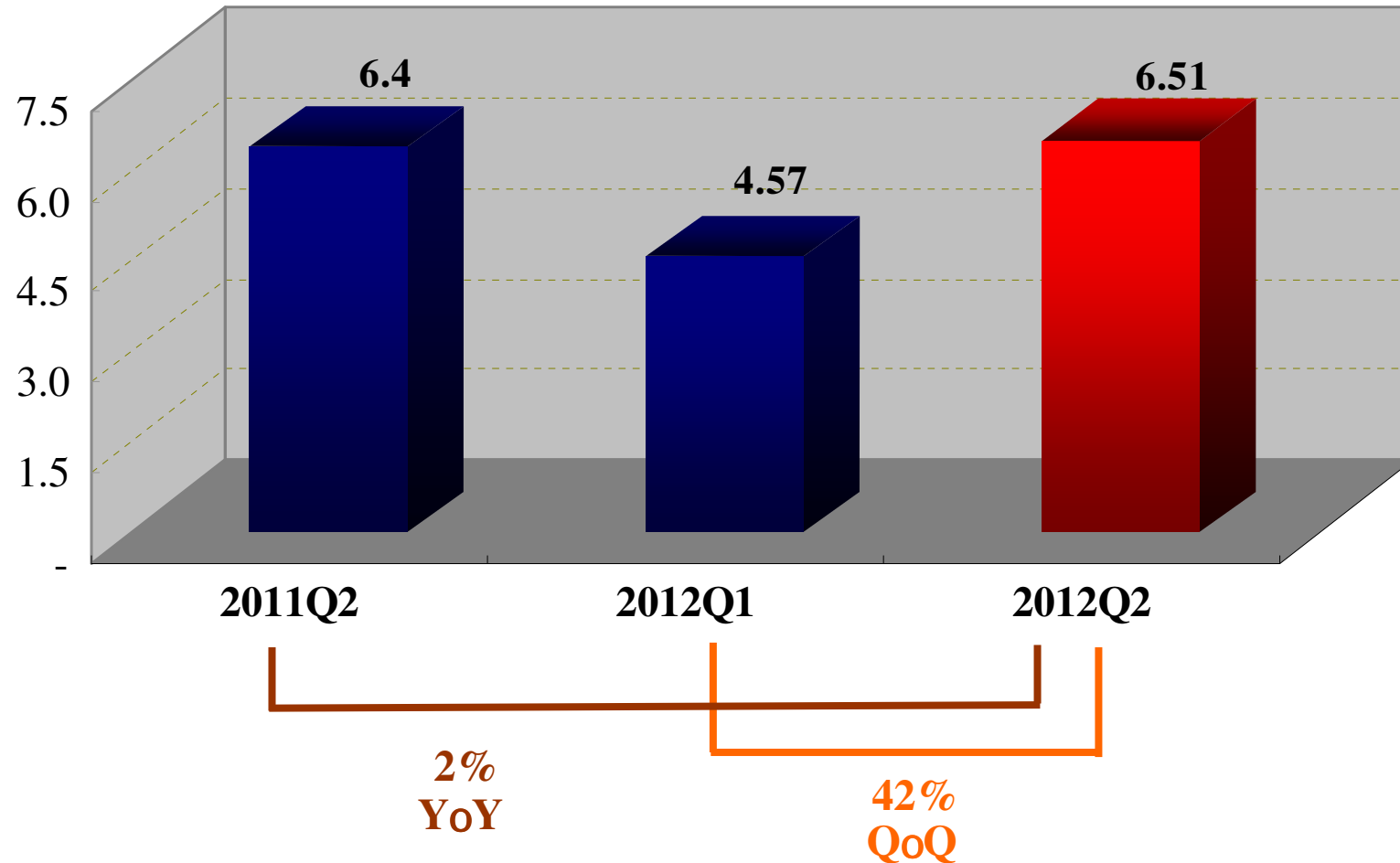
Page 9



EPS (Consolidated)

Page 10

(NT\$)



Income Statement (Consolidated)

Page 11

(NT\$K)

	2012Q2	%	2012Q1	%	2011Q2	%	Q-Q	Y-Y
Net operating revenues	1,082,084	100	911,934	100	974,291	100	19%	11%
Cost of sales	(315,606)	(29)	(272,733)	(30)	(293,416)	(30)		
Gross profit	766,478	71	639,201	70	680,875	70	20%	13%
Selling expenses	(134,808)	(13)	(90,605)	(10)	(119,258)	(12)		
Administrative and general expenses	(53,144)	(5)	(63,098)	(7)	(57,399)	(6)		
Research and development expenses	(134,599)	(13)	(151,747)	(17)	(86,774)	(9)		
Total operating expenses	(322,551)	(31)	(305,450)	(33)	(263,431)	(27)	6%	22%
Operating income	443,927	43	333,751	37	417,444	43	33%	6%
Non-operating income and gains	10,504	1	9,406	1	13,653	1		
Non-operating expenses and losses	16,845	2	(45,267)	(5)	(26,081)	(3)		
Income before income tax	471,276	46	297,890	33	405,016	42		
Income tax (expense) benefit	(64,067)	(6)	(23,058)	(3)	(19,432)	(2)		
Consolidated net income	407,209	39	274,832	30	385,584	40	48%	6%
Basic earnings per common share (in NT dollars)	6.51		4.57		6.40		42%	2%

Balance Sheet (Consolidated)

Page 12

(NT\$K)

	2012Q2	%	2012Q1	%	2011Q2	%
Cash and cash equivalents	2,170,897	47	1,210,078	33	666,545	22
Accounts receivable	895,397	19	886,556	24	883,888	29
Inventories	1,244,112	27	1,255,690	34	1,173,951	39
Other current assets	58,790	1	61,015	2	89,527	3
Property, Plant and Equipment	161,757	4	155,939	4	135,214	4
Intangible Assets	28,549	1	29,866	1	30,393	1
Other Assets	51,904	1	51,751	1	28,262	1
TOTAL ASSETS	4,611,406	100	3,650,895	100	3,007,780	100
Short-term loans	200,000	4	945,000	26	1,494,743	50
Accounts payable	29,741	1	67,726	2	79,994	3
Other current liabilities	1,199,073	26	858,506	24	391,068	13
Other Liabilities	39,193	1	37,771	1	39,710	1
Stockholders' Equity	3,143,399	68	1,741,892	48	1,002,265	33
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	4,611,406	100	3,650,895	100	3,007,780	100

[http://www.hermes-microvision.com/
investor@hermes-microvision.com](http://www.hermes-microvision.com/investor@hermes-microvision.com)