

Financial Statement - 2005/3/31 Balance Sheet

Unit : NT\$ thousand

Accounting Title	2005/03/31		2004/03/31	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and Cash Equivalents	855,926	13.99	1,063,997	18.07
Short-Term Investments	282,555	4.62	824,065	13.99
Notes Receivable	10,726	0.17	2,239	0.03
Accounts Receivable	2,124,107	34.73	1,648,585	27.99
Accounts Receivable – Related Parties	275,459	4.50	263,475	4.47
Other Receivables-Related Parties	18,560	0.30	52,346	0.88
other financial assets-current	34,782	0.56	8,402	0.14
Inventories	655,755	10.72	694,392	11.79
Other Current Assets	34,672	0.56	30,091	0.51
Current Assets	4,292,542	70.19	4,587,592	77.91
Funds and Long-Term Investments				
Long –Term Investments in Stocks	1,447,748	23.67	895,917	15.21
Long – Term Investments	1,447,748	23.67	895,917	15.21
Fixed Assets				

Cost				
Land	69,745	1.14	69,745	1.18
Buildings and Structures	219,113	3.58	218,799	3.71
Machinery and Equipment	108,232	1.76	101,199	1.71
Transportation Equipment	7,752	0.12	7,752	0.13
Other Facilities	64,603	1.05	61,662	1.04
Fixed Assets Cost	469,445	7.67	459,157	7.79
Accumulated Depreciation	-124,521	-2.03	-90,433	-1.53
construction in process and prepayment for equipments	165	0.00	0	0.00
Fixed Assets (Net)	345,089	5.64	368,724	6.26
Intangible Assets				
Other Assets				
Guarantee Deposits Paid	3,075	0.05	2,030	0.03
Deferred Charges	21,422	0.35	29,523	0.50
deferred tax assets-noncurrent	5,651	0.09	4,130	0.07
Other Assets	30,148	0.49	35,683	0.60
Assets	6,115,527	100.00	5,887,916	100.00
Liabilities and Stockholders' Equity				
Current Liabilities				
Short-Term Borrowings	93,737	1.53	60,105	1.02

Notes Payable	4,328	0.07	11,106	0.18
Accounts Payable	2,725,136	44.56	2,473,273	42.00
Accounts Payable – Related Parties	75,067	1.22	72,859	1.23
Income Tax Payable	3,546	0.05	38,587	0.65
Accrued Expenses	109,150	1.78	94,410	1.60
Other Current Liabilities	29,204	0.47	27,734	0.47
Current Liabilities	3,040,168	49.71	2,778,074	47.18
Long-Term Liabilities				
Bonds Payable	964,390	15.76	991,767	16.84
noncurrent interest-bearing liabilities	964,390	15.76	991,767	16.84
Reserves				
Other Liabilities				
Pension Reserve / Accrued Pension Liability	22,604	0.36	16,520	0.28
Guarantee Deposits Received	30	0.00	0	0.00
Other Liabilities	22,634	0.37	16,520	0.28
Liabilities	4,027,192	65.85	3,786,361	64.30
Stockholders' Equity				
Common Stock	1,005,311	16.43	861,140	14.62
Capital Surplus				
Additional Paid-In Capital	318,676	5.21	318,676	5.41

Capital Surplus	318,676	5.21	318,676	5.41
Retained Earnings				
Legal Reserve	132,884	2.17	88,621	1.50
Special Reserve	5,042	0.08	0	0.00
Unappropriated Retained Earnings	874,385	14.29	848,032	14.40
Retained Earnings	1,012,311	16.55	936,653	15.90
Cumulative Translation Adjustments	-83,417	-1.36	-14,914	-0.25
Treasury Stock	-164,546	-2.69	0	0.00
Stockholders' Equity	2,088,335	34.14	2,101,555	35.69

Financial Statement - 2005/Q1 Income Statement

Unit : NT\$ thousand

Accounting Title	2005/01/01 - 2005/3/31		2004/01/01 - 2004/3/31	
	Amount	%	Amount	%
Sales	2,098,504.00	100.85	1,964,411.00	100.46
Sales Returns	8,848.00	0.42	5,069.00	0.25
Sales Discounts and Allowances	8,940.00	0.42	4,050.00	0.20
Sales	2,080,716.00	100.00	1,955,292.00	100.00
Operating Income	2,080,716.00	100.00	1,955,292.00	100.00
Cost of Sales	1,852,820.00	89.04	1,711,847.00	87.54

Operating Costs	1,852,820.00	89.04	1,711,847.00	87.54
Gross Profit (Loss) from Operations	227,896.00	10.95	243,445.00	12.45
Selling Expense	74,049.00	3.55	79,321.00	4.05
General and Administrative Expenses	36,183.00	1.73	33,315.00	1.70
Research and Development Expenses	47,132.00	2.26	46,799.00	2.39
Operating Expenses	157,364.00	7.56	159,435.00	8.15
Operating Income (Loss)	70,532.00	3.38	84,010.00	4.29
Non-Operating Income				
Interest Income	5,183.00	0.24	6,093.00	0.31
Investment Income	36,633.00	1.76	60,003.00	3.06
Gains on Sale of Investments	4,624.00	0.22	1,094.00	0.05
Gains on Exchange	0.00	0.00	6,369.00	0.32
Miscellaneous Income	5,527.00	0.26	6,540.00	0.33
nonoperating revenues and gains	51,967.00	2.49	80,099.00	4.09
Non-Operating Expenses				
Interest Expense	4,793.00	0.23	1,653.00	0.08
Losses on Exchange	9,928.00	0.47	0.00	0.00
Losses on Inventory Valuation Loss and Obsolescence	4,000.00	0.19	0.00	0.00
Miscellaneous Disbursements	261.00	0.01	53.00	0.00
nonoperating expenses and losses	18,982.00	0.91	1,706.00	0.08
Income from Continuing Operations before Income Tax	103,517.00	4.97	162,403.00	8.30

income tax expense(benefit)	7,504.00	0.36	14,870.00	0.76
Income from Continuing Operations	96,013.00	4.61	147,533.00	7.54
Income (Loss) from Discontinued Operatio				
Net Income (Loss)	96,013.00	4.61	147,533.00	7.54
Primary Earnings per Share				
Earnings per Share of Common stock	0.98	0.00	1.47	0.00
Full-diluted Earnings per Share				
Full-diluted Earnings per Share	0.85	0.00	1.42	0.00
Simple Earnings per Share				

Financial Statement - 2005/Q1 Statements of Cash Flows

Statements of Cash Flows		
For the three-month period ended March,31 2005 and 2004		
(Expressed in thousands of New Taiwan dollars)		
	2005	2004

Cash flows from operating activities:		
Net income(loss)	96,013	147,533
Adjustments to reconcile net income(loss) to net cash provided by operating activities:		
Depreciation	7,828	8,497
Amortization	3,235	3,282
Allowance for inventory valuation and obsolescence loss	4,000	-
Equity in gain of affiliates	(36,633)	(60,003)

Gain on disposal of short-term investments	(4,624)	(1,094)
Unrealized gain from foreign exchange, net	(25,387)	(16,762)
Increases in notes and accounts receivable (including accounts receivable-affiliates)	(28,790)	(54,342)
Decrease(increase) in other receivables from affiliates	(4,991)	2,870
Decreases in inventories	14,431	86,300
Decrease(increase) in other monetary assets-current	6,634	(1,697)
Increase(decrease) in other current assets	(17,119)	(20,287)
Decrease in deferred income tax, net	3,901	(1,003)
Increase(decrease) in notes and accounts payable(including accounts payable-affiliates)	92,553	(18,278)
Increase in income tax payable	3,546	15,872
Decrease in accrued expenses and other current liabilities	(39,560)	(41,087)
Increase in accrued bond interest premium	4,106	-
Increase in pension liabilities	1,929	1,867
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Cash provided by (used in) operating activities	81,072	51,668
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Cash flows from investing activities:		
Decrease(increase) in short-term investments	470,872	(44,530)
Increase in long-term equity investments	(246,956)	(153,964)
Addition to property, plant and equipment	(1,725)	(35,235)
Increase in refundable deposits	-	(663)
Decrease(increase) in other assets	261	(6,230)
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Cash provided by (used in) investing activities	222,452	(240,622)
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Cash flows from financing activities:		

Increase(decrease) in short-term loans	26,508	(79,120)
Increase in convertible bonds payable	-	997,560
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Cash provided by (used in) financing activities	26,508	918,440
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Net increase(decrease) in cash and cash equivalents	330,032	729,486
Cash and cash equivalents at beginning of period	525,894	334,511
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Cash and cash equivalents at end of period	855,926	1,063,997
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Supplementary disclosures of cash flow information:		
Interest	664	1,590
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Income tax	57	1
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Investing and financing activities not affecting cash flows:		
Effects of exchange rate in long-term equity investment	13,551	9,872
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Cash paid for purchase of property, plant and equipment:		
Purchase of property, plant and equipment	2,954	8,991
Add: Beginning balance of payables for property, plant and equipment	4,312	42,248
Less: Ending Balance of Payables for property, plant and equipment	(5,541)	(16,004)
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Cash paid	1,725	35,235
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