

Unit : NT\$ thousand

Accounting Title	2004/12/31		2003/12/31	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and Cash Equivalents	525,894	8.76	334,511	6.75
Short-Term Investments	761,446	12.69	780,000	15.75
Notes Receivable	12,188	0.20	10,532	0.21
Accounts Receivable	2,061,792	34.36	1,645,029	33.23
Accounts Receivable – Related Parties	325,825	5.43	236,331	4.77
Other Receivables-Related Parties	13,569	0.22	55,216	1.11
other financial assets-current	41,454	0.69	6,705	0.13
Inventories	674,186	11.23	780,692	15.77
Other Current Assets	21,936	0.36	9,269	0.18
Current Assets	4,438,290	73.98	3,858,285	77.94
Funds and Long-Term Investments				
Long –Term Investments in Stocks	1,177,710	19.63	691,822	13.97
Long – Term Investments	1,177,710	19.63	691,822	13.97
Fixed Assets				
Cost				
Land	69,745	1.16	69,745	1.40
Buildings and Structures	218,799	3.64	218,799	4.41

Machinery and Equipment	106,762	1.77	92,924	1.87
Transportation Equipment	7,752	0.12	7,752	0.15
Other Facilities	63,433	1.05	60,972	1.23
Fixed Assets Cost	466,491	7.77	450,192	9.09
Accumulated Depreciation	-116,693	-1.94	-81,962	-1.65
construction in process and prepayment for equipments	165	0.00	347	0.00
Fixed Assets (Net)	349,963	5.83	368,577	7.44
Intangible Assets				
Other Assets				
Guarantee Deposits Paid	3,075	0.05	1,367	0.02
Deferred Charges	24,918	0.41	26,575	0.53
deferred tax assets-noncurrent	5,169	0.08	3,663	0.07
Other Assets	33,162	0.55	31,605	0.63
Assets	5,999,125	100.00	4,950,289	100.00
Liabilities and Stockholders' Equity				
Current Liabilities				
Short-Term Borrowings	67,589	1.12	138,796	2.80
Notes Payable	6,998	0.11	5,514	0.11
Accounts Payable	2,681,278	44.69	2,543,187	51.37
Accounts Payable – Related Parties	74,281	1.23	69,754	1.40
Income Tax Payable	0	0.00	22,715	0.45
Accrued Expenses	129,382	2.15	136,737	2.76

Other Current Liabilities	49,135	0.81	55,039	1.11
Current Liabilities	3,008,663	50.15	2,971,742	60.03
Long-Term Liabilities				
Bonds Payable	963,884	16.06	0	0.00
noncurrent interest-bearing liabilities	963,884	16.06	0	0.00
Reserves				
Other Liabilities				
Pension Reserve / Accrued Pension Liability	20,675	0.34	14,653	0.29
Guarantee Deposits Received	30	0.00	0	0.00
Other Liabilities	20,705	0.34	14,653	0.29
Liabilities	3,993,252	66.56	2,986,395	60.32
Stockholders' Equity				
Common Stock	1,005,311	16.75	861,140	17.39
Capital Surplus				
Additional Paid-In Capital	318,676	5.31	318,676	6.43
Capital Surplus	318,676	5.31	318,676	6.43
Retained Earnings				
Legal Reserve	132,884	2.21	88,621	1.79
Special Reserve	5,042	0.08	0	0.00
Unappropriated Retained Earnings	778,372	12.97	700,499	14.15
Retained Earnings	916,298	15.27	789,120	15.94
Cumulative Translation Adjustments	-69,866	-1.16	-5,042	-0.10

Treasury Stock	-164,546	-2.74	0	0.00
Stockholders' Equity	2,005,873	33.43	1,963,894	39.67

Financial Statement - 2004/Q4 Income Statement

Unit : NT\$ thousand

Accounting Title	2004/01/01 ~ 2004/12/31		2003/01/01 ~ 2003/12/31	
	Amount	%	Amount	%
Sales	8,037,779.00	100.82	6,456,771.00	101.38
Sales Returns	24,482.00	0.30	23,701.00	0.37
Sales Discounts and Allowances	41,376.00	0.51	64,548.00	1.01
Sales	7,971,921.00	100.00	6,368,522.00	100.00
Operating Income	7,971,921.00	100.00	6,368,522.00	100.00
Cost of Sales	7,039,107.00	88.29	5,438,222.00	85.39
Operating Costs	7,039,107.00	88.29	5,438,222.00	85.39
Gross Profit (Loss) from Operations	932,814.00	11.70	930,300.00	14.60
Selling Expense	334,324.00	4.19	267,508.00	4.20
General and Administrative Expenses	147,155.00	1.84	120,755.00	1.89
Research and Development Expenses	190,731.00	2.39	156,705.00	2.46
Operating Expenses	672,210.00	8.43	544,968.00	8.55
Operating Income (Loss)	260,604.00	3.26	385,332.00	6.05
Non-Operating Income				
Interest Income	27,929.00	0.35	16,436.00	0.25
Investment Income	203,144.00	2.54	127,147.00	1.99

Gains on Sale of Investments	10,712.00	0.13	374.00	0.00
Gains on Exchange	8,471.00	0.10	0.00	0.00
Miscellaneous Income	34,987.00	0.43	28,035.00	0.44
nonoperating revenues and gains	285,243.00	3.57	171,992.00	2.70
Non-Operating Expenses				
Interest Expense	15,170.00	0.19	2,390.00	0.03
Losses on Sale of Fixed Assets	0.00	0.00	45.00	0.00
Losses on Physical Inventory	58.00	0.00	0.00	0.00
Losses on Exchange	0.00	0.00	25,639.00	0.40
Losses on Inventory Valuation Loss and Obsolescence	15,593.00	0.19	0.00	0.00
Miscellaneous Disbursements	2,279.00	0.02	1,012.00	0.01
nonoperating expenses and losses	33,100.00	0.41	29,086.00	0.45
Income from Continuing Operations before Income Tax	512,747.00	6.43	528,238.00	8.29
income tax expense(benefit)	22,730.00	0.28	85,607.00	1.34
Income from Continuing Operations	490,017.00	6.14	442,631.00	6.95
Income (Loss) from Discontinued Operatio				
Net Income (Loss)	490,017.00	6.14	442,631.00	6.95
Primary Earnings per Share				
Earnings per Share of Common stock	4.97	0.00	4.66	0.00
Full-diluted Earnings per Share				
Full-diluted Earnings per Share	4.36	0.00	0.00	0.00
Simple Earnings per Share				

Statements of Changes in Stockholders' Equity

Years ended December 31, 2004 and 2003

(Expressed in thousands of New Taiwan dollars)

Item	Common Stock	Capital Surplus	Retained earnings			Cumulative Foreign		Total
			Legal Reserve	Special Reserve	Unappropriated Earnings	Currency Translation Adjustment	Treasure Stocks	
Balance on January 1, 2003	\$ 700,000	88,600	53,055	-	509,726	3,604	-	1,354,985
Appropriation of 2003 net income:								
Legal Reserve	-	-	35,566	-	(35,566)	-	-	-
Cash dividends	-	-	-	-	(105,000)	-	-	(105,000)
Remuneration to directors and supervisors	-	-	-	-	(2,163)	-	-	(2,163)
Employee bonuses	-	-	-	-	(11,899)	-	-	(11,899)
Increase in capital by distributing stock to employees	9,730	-	-	-	(9,730)	-	-	-
Increase in capital by distributing stock dividends to stockholders	87,500	-	-	-	(87,500)	-	-	-
Issuance of common stock for cash	63,910	230,076	-	-	-	-	-	293,986
Net income for the year ended December 31, 2003	-	-	-	-	442,631	-	-	442,631
Foreign currency translation adjustment	-	-	-	-	-	(8,646)	-	(8,646)
Balance on December 31, 2003	861,140	318,676	88,621	-	700,499	(5,042)	-	1,963,894
Appropriation of 2004 net income:								
Legal Reserve	-	-	44,263	-	(44,263)	-	-	-

Statements of Cash Flows
 Years ended December 31, 2004 and 2003
 (Expressed in thousands of New Taiwan dollars)

Item	2004	2003

Cash flows from operating activities:		
Net income	\$ 490,017	442,631
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	34,801	26,160
Amortization	12,370	8,054
Allowance for doubtful accounts	-	2,923
Allowance for inventory valuation and obsolescence loss	15,593	-
Equity in loss (gain) of affiliates, net	(203,144)	(127,147)
Loss (gain) on disposal of short-term investments, net	(10,712)	(374)
Property, plant and equipments transferred to other expense	347	456
Loss (gain) on disposal of property, plant and equipment, net	-	45
Unrealized foreign exchange gain, net	(31,873)	(4,697)
Decreases (increase) in notes and accounts receivable(including accounts receivable-affiliate)	(621,443)	(498,628)
Decrease (increase) in other accounts receivable -related parties	41,647	(27,706)
Decrease (increase) in inventories	90,913	(331,747)
Decrease (increase) in other monetary assets	(34,786)	18,725
Decrease (increase) in other current assets	(11,701)	(3,562)

Decrease (increase) in deferred income tax assets	(2,473)	2,684
Increase (decrease) in notes payable and accounts payable (including accounts payable-related parties)	282,575	1,525,988
Increase (decrease) in income tax payable	(22,715)	(45,399)
Increase in accrued expenses and other current liabilities	12,480	49,857
Accrued bond interest premium	13,184	-
Increase in pension liabilities	6,022	4,040
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Cash provided by (used in) operating activities	61,102	1,042,303
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Cash flows from investing activities:		
Acquisition of short-term investments	(1,687)	(779,626)
Acquisition of long-term investments	(347,568)	(379,754)
Additions to property, plant and equipment	(54,470)	(19,529)
Decrease (increase) in refundable deposits	(1,708)	(370)
Decrease (increase) in other assets	(10,713)	(18,078)
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Cash provided by (used in) investing activities	(416,146)	(1,197,357)
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Cash flows from financing activities:		
Increase (decrease) in short-term loans	(67,949)	125,861
Increase (decrease) in long-term loans	-	(105,000)
Decrease (increase) in refundable deposits	30	-
Cash dividends paid, employees' bonuses and Directors' remuneration	(218,668)	(120,185)
Issuance of common stock for cash	-	293,986
Increase (decrease) in convertible bonds payable	997,560	-
Decrease (increase) in treasure stock	(164,546)	-
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Cash provided by (used in) financing activities	546,427	194,662
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Net increase (decrease) in cash and cash equivalents	191,383	39,608
Cash and cash equivalents at beginning of year	334,511	294,903
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Cash and cash equivalents at end of year	\$ 525,894	334,511
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Supplemental disclosures of cash flow information:		
Interest	\$ 1,936	2,452
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Income taxes	\$ 60,388	128,322
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Investing and financing activities not affecting cash flows:		
Cumulative foreign currency translation adjustments in long-term investments	\$ 64,824	8,646
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Prepayment for equipment transferred to deferred expenses	\$ -	4,744
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Cash paid for purchase of property, plant and equipment:		
Purchase of property, plant and equipment	\$ 16,534	56,148
Add: Payables for property, plant and equipment at beginning of year	42,248	5,629
Less: Payables for property, plant and equipment at end of year	(4,312)	(42,248)
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Cash paid	\$ 54,470	19,529
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Reconciliation for cash dividends, employees bonus and		

remunerations to directors and supervisors:

Total distribution	\$ 218,668	119,062
Add: beginning balance of employees' bonuses and directors' remuneration	-	1,123
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Cash paid	\$ 218,668	120,185
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