

Unit : NT\$ thousand

| Accounting Title | 2003/12/31 | | 2002/12/31 | |
|---------------------------------------|------------|-------|------------|------|
| | Amount | % | Amount | % |
| Assets | | | | |
| Current Assets | | | | |
| Cash and Cash Equivalents | 719,251 | 14.60 | 0 | 0.00 |
| Short-Term Investments | 780,000 | 15.83 | 0 | 0.00 |
| Notes Receivable | 10,532 | 0.21 | 0 | 0.00 |
| Accounts Receivable | 1,645,029 | 33.40 | 0 | 0.00 |
| Accounts Receivable – Related Parties | 236,331 | 4.79 | 0 | 0.00 |
| other financial assets-current | 14,408 | 0.29 | 0 | 0.00 |
| Inventories | 780,692 | 15.85 | 0 | 0.00 |
| Other Current Assets | 9,754 | 0.19 | 0 | 0.00 |
| Current Assets | 4,195,997 | 85.21 | 0 | 0.00 |
| Funds and Long-Term Investments | | | | |
| Long –Term Investments in Stocks | 1,706 | 0.03 | 0 | 0.00 |
| Long – Term Investments | 1,706 | 0.03 | 0 | 0.00 |
| Fixed Assets | | | | |
| Cost | | | | |
| Land | 69,745 | 1.41 | 0 | 0.00 |
| Buildings and Structures | 218,799 | 4.44 | 0 | 0.00 |
| Machinery and Equipment | 357,313 | 7.25 | 0 | 0.00 |

| | | | | |
|---|-----------|--------|---|------|
| Transportation Equipment | 14,576 | 0.29 | 0 | 0.00 |
| Leasehold Improvements | 19,701 | 0.40 | 0 | 0.00 |
| Other Facilities | 85,228 | 1.73 | 0 | 0.00 |
| Fixed Assets Cost | 765,362 | 15.54 | 0 | 0.00 |
| Accumulated Depreciation | -188,264 | -3.82 | 0 | 0.00 |
| construction in process and prepayment for equipments | 89,917 | 1.82 | 0 | 0.00 |
| Fixed Assets (Net) | 667,015 | 13.54 | 0 | 0.00 |
| Intangible Assets | | | | |
| Other Intangible Assets | 22,066 | 0.44 | 0 | 0.00 |
| Intangible Assets | 22,066 | 0.44 | 0 | 0.00 |
| Other Assets | | | | |
| Guarantee Deposits Paid | 2,077 | 0.04 | 0 | 0.00 |
| Deferred Charges | 31,776 | 0.64 | 0 | 0.00 |
| deferred tax assets-noncurrent | 3,663 | 0.07 | 0 | 0.00 |
| Other Assets | 37,516 | 0.76 | 0 | 0.00 |
| Assets | 4,924,300 | 100.00 | 0 | 0.00 |
| | | | | |
| Liabilities and Stockholders' Equity | | | | |
| Current Liabilities | | | | |
| Short-Term Borrowings | 138,796 | 2.81 | 0 | 0.00 |
| Notes Payable | 5,514 | 0.11 | 0 | 0.00 |
| Accounts Payable | 2,547,494 | 51.73 | 0 | 0.00 |
| Income Tax Payable | 24,757 | 0.50 | 0 | 0.00 |

| | | | | |
|---|-----------|-------|---|------|
| Accrued Expenses | 169,867 | 3.44 | 0 | 0.00 |
| Other Current Liabilities | 57,084 | 1.15 | 0 | 0.00 |
| Current Liabilities | 2,943,512 | 59.77 | 0 | 0.00 |
| Long-Term Liabilities | | | | |
| Reserves | | | | |
| Other Liabilities | | | | |
| Pension Reserve / Accrued Pension Liability | 14,653 | 0.29 | 0 | 0.00 |
| Guarantee Deposits Received | 2,241 | 0.04 | 0 | 0.00 |
| Other Liabilities | 16,894 | 0.34 | 0 | 0.00 |
| Liabilities | 2,960,406 | 60.11 | 0 | 0.00 |
| | | | | |
| Stockholders' Equity | | | | |
| Common Stock | 861,140 | 17.48 | 0 | 0.00 |
| Capital Surplus | | | | |
| Additional Paid-In Capital | 318,676 | 6.47 | 0 | 0.00 |
| Capital Surplus | 318,676 | 6.47 | 0 | 0.00 |
| Retained Earnings | | | | |
| Legal Reserve | 88,621 | 1.79 | 0 | 0.00 |
| Unappropriated Retained Earnings | 700,499 | 14.22 | 0 | 0.00 |
| Retained Earnings | 789,120 | 16.02 | 0 | 0.00 |
| Cumulative Translation Adjustments | -5,042 | -0.10 | 0 | 0.00 |
| Stockholders' Equity | 1,963,894 | 39.88 | 0 | 0.00 |

Financial Statement - 2003/Q4 Consolidated Income Statement

Unit : NT\$ thousand

| Accounting Title | 2003/01/01 – 2003/12/31 | | 2002/01/01 – 2002/12/31 | |
|-------------------------------------|-------------------------|--------|-------------------------|------|
| | Amount | % | Amount | % |
| Sales | 6,456,771.00 | 101.38 | 0.00 | 0.00 |
| Sales Returns | 23,701.00 | 0.37 | 0.00 | 0.00 |
| Sales Discounts and Allowances | 64,548.00 | 1.01 | 0.00 | 0.00 |
| Sales | 6,368,522.00 | 100.00 | 0.00 | 0.00 |
| Operating Income | 6,368,522.00 | 100.00 | 0.00 | 0.00 |
| Cost of Sales | 5,273,085.00 | 82.79 | 0.00 | 0.00 |
| Operating Costs | 5,273,085.00 | 82.79 | 0.00 | 0.00 |
| Gross Profit (Loss) from Operations | 1,095,437.00 | 17.20 | 0.00 | 0.00 |
| Selling Expense | 267,508.00 | 4.20 | 0.00 | 0.00 |
| General and Administrative Expenses | 151,961.00 | 2.38 | 0.00 | 0.00 |
| Research and Development Expenses | 156,705.00 | 2.46 | 0.00 | 0.00 |
| Operating Expenses | 576,174.00 | 9.04 | 0.00 | 0.00 |
| Operating Income (Loss) | 519,263.00 | 8.15 | 0.00 | 0.00 |
| Non-Operating Income | | | | |
| Interest Income | 17,067.00 | 0.26 | 0.00 | 0.00 |
| Investment Income | 3.00 | 0.00 | 0.00 | 0.00 |
| Gains on Sale of Investments | 374.00 | 0.00 | 0.00 | 0.00 |
| Miscellaneous Income | 29,852.00 | 0.46 | 0.00 | 0.00 |
| nonoperating revenues and gains | 47,296.00 | 0.74 | 0.00 | 0.00 |

| | | | | |
|---|------------|------|------|------|
| Non-Operating Expenses | | | | |
| Interest Expense | 2,390.00 | 0.03 | 0.00 | 0.00 |
| Losses on Sale of Fixed Assets | 45.00 | 0.00 | 0.00 | 0.00 |
| Losses on Exchange | 29,534.00 | 0.46 | 0.00 | 0.00 |
| Miscellaneous Disbursements | 1,015.00 | 0.01 | 0.00 | 0.00 |
| nonoperating expenses and losses | 32,984.00 | 0.51 | 0.00 | 0.00 |
| Income from Continuing Operations before Income Tax | 533,575.00 | 8.37 | 0.00 | 0.00 |
| income tax expense(benefit) | 90,944.00 | 1.42 | 0.00 | 0.00 |
| Income from Continuing Operations | 442,631.00 | 6.95 | 0.00 | 0.00 |
| Income (Loss) from Discontinued Operatio | | | | |
| Net Income (Loss) | 442,631.00 | 6.95 | 0.00 | 0.00 |
| Primary Earnings per Share | | | | |
| Earnings per Share of Common stock | 5.44 | 0.00 | 0.00 | 0.00 |
| Full-diluted Earnings per Share | | | | |
| Simple Earnings per Share | | | | |

Consolidated Statements of Changes in Stockholders' Equity

Years ended December 31, 2003

(Expressed in thousands of New Taiwan dollars)

| Item | Retained earnings | | | | | Total |
|---|-------------------|-----------------|---------------|--------------------------|--|-----------|
| | Common Stock | Capital surplus | Legal Reserve | Inappropriate earning | Foreign currency translation adjustment | |
| Balance on January 1, 2003 | 700,000 | 88,600 | 53,055 | 509,726 | 3,604 | 1,354,985 |
| Appropriation of 2002 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 |

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

| Item | 2003 |
|---|------------|
| ----- | |
| Cash flows from operating activities: | |
| Net income | \$ 442,631 |
| Adjustments to reconcile net income to net cash provided by operating activities: | |
| Depreciation | 60,703 |
| Amortization | 8,879 |
| Allowance for doubtful accounts | 2,923 |
| Loss on disposal of property, plant and equipment, net | 45 |
| Equity in gain of affiliates, net | (3) |
| Gain on disposal of short-term investments, net | (374) |
| Property, plant and equipment transferred to expense | 456 |
| Increase in notes receivable and accounts receivable (including accounts receivable -related parties) | (498,628) |
| Increase in inventories | (331,747) |
| Decrease in other monetary assets | 12,948 |
| Increase in other current assets | (4,047) |
| Decrease in deferred income tax assets | 2,684 |
| Increase in notes payable and accounts payable (including accounts payable-related parties) | 1,488,185 |

| | |
|--|-------------|
| Decrease in income tax payable | (45,091) |
| Increase in accrued expenses and other current liabilities | 63,184 |
| Increase in pension liabilities | 4,040 |
| | ----- |
| Cash provided by operating activities | 1,206,788 |
| | ----- |
| Cash flows from investing activities: | |
| Acquisition of short-term investments | (779,626) |
| Additions to property, plant and equipment | (241,556) |
| Increase in refundable deposits | (1,055) |
| Increase in land use right | (22,365) |
| Increase in deferred expenses | (22,266) |
| | ----- |
| Cash used in investing activities | (1,066,868) |
| | ----- |
| Cash flows from financing activities: | |
| Increase in short-term loans | 125,861 |
| Decrease in long-term loans | (105,000) |
| Cash dividends paid, employees' bonuses and Directors' remuneration | (120,185) |
| Issuance of common stock for cash | 293,986 |
| Increase in deposit received | 2,241 |
| | ----- |
| Cash provided by financing activities | 196,903 |
| | ----- |
| Effects of exchange rate change on cash | (11,836) |
| Net increase in cash and cash equivalents | 324,987 |
| Cash and cash equivalents at beginning of year | 394,264 |
| | ----- |

| | |
|--|------------|
| Cash and cash equivalents at end of year | \$ 719,251 |
| | ===== |
| Supplemental disclosures of cash flow information: | |
| Cash payment of interest | \$ 2,452 |
| | ----- |
| Cash payment of income tax | \$ 133,351 |
| | ----- |
| Investing and financing activities not affecting cash flows: | |
| Prepayment for equipment transferred to deferred expenses | \$ 4,744 |
| | ----- |
| Cash paid for purchase of property, plant and equipment: | |
| Purchase of property, plant and equipment | \$ 278,175 |
| Add: Payables for property, plant and equipment at beginning of year | 5,629 |
| Less: Payables for property, plant and equipment at end of year | (42,248) |
| | ----- |
| Cash paid | \$ 241,556 |
| | ----- |
| Reconciliation for cash dividends, employees bonus and remunerations to directors and supervisors: | |
| Total distribution | \$ 119,062 |
| Add: Beginning balance of employees' bonuses and directors' remuneration | 1,123 |
| | ----- |
| Cash paid | \$ 120,185 |
| | ----- |