

**Consolidated Balance Sheet**

Unit : NT\$ thousand

Accounting Title	2005/12/31		2004/12/31	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and Cash Equivalents	1,773,214	21.47	982,689	15.65
Short-Term Investments	0	0.00	761,446	12.12
Notes Receivable	61,891	0.74	13,379	0.21
Accounts Receivable	3,162,925	38.30	2,288,217	36.44
Accounts Receivable – Related Parties	340,162	4.11	325,825	5.18
Other Receivables -Related Parties	2,554	0.03	0	0.00
other financial assets -current	15,617	0.18	38,157	0.60
Inventories	1,510,342	18.29	776,787	12.37
Other Current Assets	79,309	0.96	25,210	0.40
Current Assets	6,946,014	84.11	5,211,710	83.01
Funds and Long-Term Investments				
Long –Term Investments in Stocks	18,051	0.21	62,746	0.99
Long – Term Investments	18,051	0.21	62,746	0.99
Funds and Long-Term Investments	18,051	0.21	62,746	0.99
Fixed Assets				
Cost				
Land	94,901	1.14	69,745	1.11

Buildings and Structures	413,118	5.00	383,170	6.10
Machinery and Equipment	682,579	8.26	478,613	7.62
Transportation Equipment	21,805	0.26	18,253	0.29
Leasehold Improvements	48,648	0.58	32,104	0.51
Other Facilities	130,063	1.57	125,327	1.99
Fixed Assets Cost	1,391,114	16.84	1,107,212	17.63
Accumulated Depreciation	-411,192	-4.97	-271,194	-4.31
construction in process and prepayment for equipments	120,770	1.46	89,681	1.42
Fixed Assets (Net)	1,100,692	13.32	925,699	14.74
Intangible Assets				
Goodwill	101,931	1.23	0	0.00
Deferred Pension Cost	3,191	0.03	0	0.00
Other Intangible Assets	39,823	0.48	38,517	0.61
Intangible Assets	144,945	1.75	38,517	0.61
Other Assets				
Guarantee Deposits Paid	5,819	0.07	3,284	0.05
Deferred Charges	38,676	0.46	31,049	0.49
deferred tax assets -noncurrent	3,379	0.04	5,169	0.08
Other Assets	47,874	0.57	39,502	0.62
Assets	8,257,576	100.00	6,278,174	100.00
Liabilities and Stockholders' Equity				
Current Liabilities				

Short-Term Borrowings	54,373	0.65	67,589	1.07
Notes Payable	7,999	0.09	6,998	0.11
Accounts Payable	4,243,630	51.39	2,944,393	46.89
Income Tax Payable	75,348	0.91	0	0.00
Accrued Expenses	221,124	2.67	177,981	2.83
Long-Term Liabilities – Current Portion	804,014	9.73	880	0.01
Other Current Liabilities	57,641	0.69	72,832	1.16
Current Liabilities	5,464,129	66.17	3,270,673	52.09
Long-Term Liabilities				
Bonds Payable	213,046	2.58	963,884	15.35
Long-Term Borrowings	24,624	0.29	8,110	0.12
noncurrent interest-bearing liabilities	237,670	2.87	971,994	15.48
Reserves				
Other Liabilities				
Pension Reserve / Accrued Pension Liability	27,930	0.33	20,675	0.32
Other Liabilities – Other	6,793	0.08	8,318	0.13
Other Liabilities	34,723	0.42	28,993	0.46
Liabilities	5,736,522	69.46	4,271,660	68.03
Stockholders' Equity				
Common Stock	1,273,239	15.41	1,005,311	16.01
Capital Surplus				
Additional Paid-In Capital	318,676	3.85	318,676	5.07

Capital Surplus	318,676	3.85	318,676	5.07
Retained Earnings				
Legal Reserve	181,886	2.20	132,884	2.11
Special Reserve	69,866	0.84	5,042	0.08
Unappropriated Retained Earnings	724,929	8.77	778,372	12.39
Retained Earnings	976,681	11.82	916,298	14.59
Cumulative Translation Adjustments	-4,494	-0.05	-69,866	-1.11
	-4,494	-0.05	-69,866	-1.11
Treasury Stock	-164,546	-1.99	-164,546	-2.62
Minority Interest	121,498	1.47	641	0.01
Stockholders' Equity	2,521,054	30.53	2,006,514	31.96

## Consolidated Income Statement

Unit : NT\$ thousand

Accounting Title	2005/12/31		2004/12/31	
	Amount	%	Amount	%
Sales	11,247,212.00	101.01	8,502,454.00	100.78
Sales Returns	59,976.00	0.53	24,482.00	0.29
Sales Discounts and Allowances	53,262.00	0.47	41,376.00	0.49
Net Sales	11,133,974.00	100.00	8,436,596.00	100.00
Operating Revenue	11,133,974.00	100.00	8,436,596.00	100.00
Cost of Sales	9,532,902.00	85.61	7,216,971.00	85.54

Operating Costs	9,532,902.00	85.61	7,216,971.00	85.54
Gross Profit (Loss) from Operations	1,601,072.00	14.38	1,219,625.00	14.45
Selling Expense	357,579.00	3.21	334,324.00	3.96
General and Administrative Expenses	418,077.00	3.75	234,906.00	2.78
Research and Development Expenses	243,660.00	2.18	190,731.00	2.26
Operating Expenses	1,019,316.00	9.15	759,961.00	9.00
Operating Income (Loss)	581,756.00	5.22	459,664.00	5.44
Non-Operating Income				
Interest Income	48,397.00	0.43	30,405.00	0.36
Investment Income	1,592.00	0.01	40.00	0.00
Gains on Sale of Fixed Assets	0.00	0.00	2,350.00	0.02
Gains on Sale of Investments	12,106.00	0.10	10,712.00	0.12
Gains on Physical Inventory	2,260.00	0.02	0.00	0.00
Gains on Exchange	0.00	0.00	7,077.00	0.08
Miscellaneous Income	50,194.00	0.45	50,646.00	0.60
nonoperating revenues and gains	114,549.00	1.02	101,230.00	1.19
Non-Operating Expenses				
Interest Expense	22,718.00	0.20	15,634.00	0.18
Losses on Sale of Fixed Assets	1,019.00	0.00	0.00	0.00
Losses on Physical Inventory	0.00	0.00	58.00	0.00
Losses on Exchange	48,324.00	0.43	0.00	0.00
Losses on Inventory Valuation Loss and Obsolescence	30,408.00	0.27	16,266.00	0.19
Miscellaneous Disbursements	12,098.00	0.10	6,127.00	0.07

nonoperating expenses and losses	114,567.00	1.02	38,085.00	0.45
Income from Continuing Operations before Income Tax	581,738.00	5.22	522,809.00	6.19
income tax expense(benefit)	113,970.00	1.02	32,624.00	0.38
Income from Continuing Operations	467,768.00	4.20	490,185.00	5.81
Income (Loss) from Discontinued Operatio				
Primary Earnings per Share				
Earnings per Share of Common stock	3.66	0.00	3.91	0.00
Full-diluted Earnings per Share				
Full-diluted Earnings per Share	3.16	0.00	3.43	0.00
Simple Earnings per Share				

## Consolidated Statements of Changes in Stockholders' Equity

### Consolidated Statement of Changes in Stockholders' Equity

For the year ended December 31, 2005 and 2004

(expressed in thousands of New Taiwan dollars)

	Retained earnings					Cumulative foreign currency translation adjustments	Treasury stock	Minority interest	Total
	Common stock	Capital surplus	Legal reserves	Special reserves	Unappropriated earnings				
Balance as of January 1, 2004 \$	861,140	318,676	88,621		700,499	(5,042)		39,003	2,002,897
Appropriation of retained earnings :									
Legal reserve			44,263		(44,263)				
Special reserve				5,042	(5,042)				

Cash dividends					(193,756)				(193,756)
Remuneration to directors and supervisors					(3,628)				(3,628)
Bonus to employees					(21,284)				(21,284)
Increase in capital by distributing stock to employees	15,000				(15,000)				
Increase in capital by distributing stock dividends to stockholders	129,171				(129,171)				
Net income for 2004					490,017			168	490,185
Purchase of treasury stock							(164,546)		(164,546)
Net changes in minority interest								(38,259)	(38,259)
Foreign currency translation adjustment							(64,824)	(271)	(65,095)
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Balance as of January 1, 2005	1,005,311	318,676	132,884	5,042	778,372	(69,866)	(164,546)	641	2,006,514
Appropriation of retained earnings									
Legal reserve			49,002		(49,002)				
Special reserve				64,824	(64,824)				
Cash dividends					(107,284)				(107,284)
Remuneration to directors and supervisors					(3,945)				(3,945)
Bonus to employees					(15,351)				(15,351)
Increase in capital by distributing stock to employee	24,100				(24,100)				
Increase in capital by distributing stock dividends to stockholders	243,828				(243,828)				
Net income for 2005					454,892			12,876	467,767
Net changes in minority interest								106,088	106,088

Foreign currency translation adjustment							65,372		1,893	67,265
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Balance as of December 31, 2005	\$	1,273,239	318,676	181,886	69,866	724,929	(4,494)	(164,546)	121,498	2,521,054
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## Consolidated Statements of Cash Flows

Consolidated Statement of Cash Flows  
For the year ended December 31, 2005 and 2004  
(expressed in thousands of New Taiwan dollars)

	2005	2004
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Cash flows from operating activities:		
Consolidated Net Income	\$ 467,767	\$ 490,185
Adjustments items:		
Depreciation	122,739	90,640
Amortization	40,943	14,819
Loss on obsolescence and decline in value of inventory	30,408	16,266
Gain on long-term equity investments under equity method	(1,592)	(40)
Gain on disposal of short-term investments	(12,106)	(10,712)
Property, plant and equipments		

transferred to other expenses	1,310	18,829
Loss(gain) on disposal of property, plant and equipments	1,019	(2,350)
Increase in notes and accounts receivable (including accounts receivable affiliate)	(967,920)	(783,207)
Decrease(Increase) in inventories	(763,963)	102,592
Decrease(Increase) in other monetary assets current	22,540	(2,213)
Increase in other current assets	(13,270)	(3,463)
Increase in deferred income tax assets, net	(39,039)	(2,473)
Increase in notes and accounts payable	1,312,425	351,449
Increase(decrease) in income tax payable	75,348	(24,757)
Increase(decrease) in accrued expenses and other current liabilities	27,844	(5,734)
Increase in accrued bond interest premium	16,423	13,184
Increase in accrued pension liability	4,065	6,022
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Net cash provided by operating activities	324,941	269,037
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Cash flows from investing activities:		
Decrease(increase) in short-term investments	770,285	(1,687)
Increase in receivable affiliate	(2,554)	-
Purchase of long-term equity investments	-	(60,987)
Increase in using right of land	-	(19,141)
Purchase of property, plant and equipment	(265,274)	(376,797)
Increase in refundable deposits	(2,535)	(3,451)
Increase in other assets	(29,822)	(14,992)
Increase in goodwill	(121,858)	-
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Net cash provided by(used in) investing activities	348,242	(477,055)

Cash flows from financing activities:		
Decrease in short-term debt	(12,795)	(67,949)
Increase in long-term debt	19,066	-
Repayments in long-term debt	(880)	(879)
Decrease in refundable deposits	-	(2,192)
Distribution of cash dividends, bonus to employees and remuneration to directors and supervisors	(122,635)	(218,668)
Increase in convertible bonds payable	-	997,560
Purchase of treasury stock	-	(164,546)
Increase(decrease) in minority interest	106,088	(38,259)
Increase(decrease) in deferred credits	(1,526)	8,318
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Net cash provided by(used in) financing activities	(12,682)	513,385
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Effects of foreign currency translation	83,236	(61,447)
Effects of first-time inclusion of certain subsidiaries to the consolidated financial statements	46,788	-
Net increase in cash and cash equivalents	790,525	243,920
Cash and cash equivalents at beginning of period	982,689	738,769
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Cash and cash equivalents at end of period	\$ 1,773,214	\$ 982,689
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Supplemental disclosures of cash flow information:		
Cash payment for interest	\$ 6,399	\$ 2,400
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Cash payment for income tax	\$ 79,434	\$ 68,213
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Investing and financing activities not affecting cash flows:		
Current portion of long-term debts	\$ 804,014	-

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Increase deferred pension costs	\$ 3,191	-
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Cash paid for purchase of property, plant and equipment:		
Purchase of property, plant and equipment	\$ 264,713	\$ 350,113
Add: Beginning balance of payables for property, plant and equipment	15,564	42,248
Less: Ending balance of Payables for property, plant and equipment (recorded under other current liabilities)	(15,003)	(15,564)
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Cash paid	\$ 265,274	\$ 376,797
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Reconciliation for cash dividends, bonus to employees and remunerations to directors and supervisors:		
Total distribution	\$ 126,580	\$ 218,668
Less: Ending balance of bonus to employees payable and remuneration to directors and supervisors payable (recorded under other current liabilities)	(3,945)	-
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Cash paid	\$ 122,635	\$ 218,668
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