

CHILISIN ELECTRONICS CORP.
Consolidated Balance Sheets
1stQ of Year 2008 and 2007

Unit: In Thousands of New Taiwan Dollars,
Except Number of Shares Par Value

	Assets	1 st Q of Year 2008		1 st Q of Year 2007	
		Amount	%	Amount	%
	Current Assets				
1100	Cash	\$ 204,661	6	\$ 72,347	2
1310	Financial Assets at fair value through profile and loss	232,883	7	183,477	6
1120	Notes Receivable- allowance for uncollectible accounts NTD 234 Thousand on year 2007, NTD524 Thousand on year 2006	28,764	1	49,752	1
1140	Accounts Receivable—allowance for uncollectible accounts NTD 3,186 Thousand on year 2007, NTD2,870 Thousand on year 2006	328,762	10	390,258	12
1150	Receivable to Related Parties	167,215	5	121,248	4
1190	Other Banking Assets	8,799	-	21,306	1
1210	Inventories-Net	246,143	7	251,800	8
1286	Deferred Income Tax Assets	40,956	1	32,706	1
1298	Other Current Assets	<u>7,344</u>	<u>-</u>	<u>6,212</u>	<u>-</u>
11XX	Total Current Assets	<u>1,265,527</u>	<u>37</u>	<u>1,129,106</u>	<u>35</u>
	Long-Term Equity Investments				
1421	Long-Term Equity Investments Recognized Under Equity Method	<u>976,945</u>	<u>28</u>	<u>849,065</u>	<u>27</u>
	Property, Plant, and Equipment				
	Cost				
1501	Land Improvements	27,785	1	27,380	1
1521	Buildings	351,194	10	343,998	11
1531	Machinery and Equipment	1,231,414	36	1,148,651	36
1544	Instrument and Equipment	64,377	2	55,369	1
1551	Transportation and Other Equipment	<u>41,555</u>	<u>1</u>	<u>44,739</u>	<u>1</u>
15X1		1,716,325	50	1,620,137	50
15X9	Loss: Accumulated Depreciation	<u>604,538</u>	<u>18</u>	<u>515,952</u>	<u>16</u>
		1,111,787	32	1,104,185	34
1670	Construction in Progress and Prepayment for Equipment	<u>18,929</u>	<u>1</u>	<u>50,157</u>	<u>2</u>
15XX	Net Property, Plant and Equipment	<u>1,130,716</u>	<u>33</u>	<u>1,154,342</u>	<u>36</u>
	Intangible Assets				
1720	Patents	1,541	-	637	-
1770	Deferred Pension Costs	10,536	1	12,643	-
1780	Other Intangible Assets	<u>5,507</u>	<u>-</u>	<u>3,348</u>	<u>-</u>
17XX	Total Intangible Assets	<u>17,584</u>	<u>1</u>	<u>16,628</u>	<u>-</u>
	Other Assets				
1820	Refundable Deposit	1,0830	-	83	-
1830	Deferred Expense	8,191	-	11,483	1
1860	Deferred Income Tax Assets	25,968	1	40,448	1
1880	Other	<u>1,375</u>	<u>-</u>	<u>-</u>	<u>-</u>
18XX	Total Other Assets	<u>36,617</u>	<u>1</u>	<u>52,014</u>	<u>2</u>
1XXX	Total Assets	<u>\$ 3,427,389</u>	<u>100</u>	<u>\$ 3,201,155</u>	<u>100</u>

Liabilities and Stockholders' Equity		Amount	%	Amount	%
Current Liabilities					
2100	Short-Term Borrowings (Debt)	\$ -	-	\$ 140,000	4
2110	Short-Term Notes and Bills Payable	-	-	149,475	5
2120	Notes Payable	294	-	2,800	-
2140	Accounts Payable	212,297	6	182,226	6
2150	Accounts Payable-Related Parties	50,827	2	53,429	2
2160	Income Tax Payable	29,359	1	27,860	1
2170	Accrued Expenses	45,287	1	51,713	2
2180	Financial Liabilities at fair value through profile and loss	7,587	-	9,300	-
2224	Accounts Payable-Equipment	4,566	-	8,190	-
2260	Deferred credit	16,767	1	21,176	1
2272	Current Portion of Long-term Debt	149,500	4	58,458	2
2280	Other Current Liabilities	<u>6,495</u>	<u>-</u>	<u>10,400</u>	<u>-</u>
21XX	Total Current Liabilities	<u>522,979</u>	<u>15</u>	<u>715,027</u>	<u>23</u>
Long-Term Accrued Interest Liabilities					
2410	Bonds Payable	498,000	15	-	-
2420	Long-Term Loans Payable	<u>183,872</u>	<u>5</u>	<u>421,542</u>	<u>13</u>
24XX	Total Long-Term Accrued Interest Liabilities	<u>681,872</u>	<u>20</u>	<u>421,542</u>	<u>13</u>
Other Liabilities					
2810	Accrued Pension Liabilities	57,771	2	65,157	2
2820	Guarantee Deposit Received	42	-	42	-
2880	Deferred credit	<u>3,186</u>	<u>-</u>	<u>5,006</u>	<u>-</u>
28XX	Total Other Liabilities	<u>60,999</u>	<u>2</u>	<u>70,205</u>	<u>2</u>
2XXX	Total Liabilities	<u>1,265,850</u>	<u>37</u>	<u>1,206,774</u>	<u>38</u>
Stockholders' Equity					
3110	Capital Stock- NT\$10 par value authorized, 300,000 Thousand shares for 2007,245,800 Thousand shares for 2006, Issued 147,123 Thousand shares for 2007,140,748 Thousand shares for 2006	<u>1,477,677</u>	<u>43</u>	<u>1,436,038</u>	<u>45</u>
3140	Additional Paid-in Capital	<u>-</u>	<u>-</u>	<u>190</u>	<u>-</u>
3211	Paid-in Capital in Excess of Par Value	47,208	1	31,254	1
3213	Additional Paid-in Capital-Bond Conversion	119,246	4	119,246	4
3220	Treasury Stock Transactions	30	-	1,538	-
3280	Compensatory Stock Option Plan	<u>3,275</u>	<u>-</u>	<u>4,583</u>	<u>-</u>
3272	Stock Option Plan	<u>101,899</u>	<u>3</u>	<u>-</u>	<u>-</u>
32XX	Total capital surplus	<u>271,658</u>	<u>8</u>	<u>156,621</u>	<u>5</u>
Retained Earning					
3310	Legal Reserve	136,470	4	110,041	4
3320	Special Reserve	9,371	-	26,488	1
3350	Retained Earnings-Unappropriated	<u>315,378</u>	<u>9</u>	<u>333,479</u>	<u>10</u>
33XX	Total Retained Earning	<u>461,219</u>	<u>13</u>	<u>470,008</u>	<u>15</u>
3420	Cumulative Translation Adjustment	<u>36,631</u>	<u>1</u>	<u>36,598</u>	<u>1</u>
3430	Net loss not recognized as pension cost	<u>(17,907)</u>	<u>(-)</u>	<u>(28,419)</u>	<u>(1)</u>
3510	Treasury Stock (Ordinary Stock)-4,520 Thousands Shares in 2004	<u>(67,739)</u>	<u>(2)</u>	<u>(76,655)</u>	<u>(3)</u>
3XXX	Total Stockholders' Equity	<u>2,161,539</u>	<u>63</u>	<u>1,994,381</u>	<u>62</u>
	Total Liabilities and Stockholder's Equality	<u>\$ 3,427,389</u>	<u>100</u>	<u>\$ 3,201,155</u>	<u>100</u>

CHILISIN ELECTRONICS CORP.
Consolidated Statements of Income
1stQ of Year 2008 and 2007

Unit: In Thousands of Taiwan Dollars and U.S. Dollars.
Except Number of Shares Par Value

	1 st Q of Year 2008		1 st Q of Year 2007	
	Amount	%	Amount	%
4110 Sales Revenue	\$ 387,617	101	\$ 396,628	101
4170 Loss: Sales Return and Allowances	<u>2,501</u>	<u>1</u>	<u>5,472</u>	<u>1</u>
4100 Sales Revenue-Net	385,116	100	391,156	100
5110 Cost of Goods Sold	<u>283,931</u>	<u>74</u>	<u>277,191</u>	<u>71</u>
Additional (Loss) Realized (Unrealized) of Sales Gross Profit	101,185	26	113,965	39
5920 Realized (Unrealized) Gain On Transactions With Related Parties	<u>862</u>	<u>-</u>	<u>(1,264)</u>	<u>-</u>
5910 Gross Profit	<u>102,047</u>	<u>26</u>	<u>112,701</u>	<u>29</u>
Operating Expenses				
6100 Selling Expenses	20,165	5	23,474	6
6200 General and Administrative Expenses	20,232	5	14,858	4
6300 Research and Development Expenses	<u>22,567</u>	<u>6</u>	<u>21,262</u>	<u>6</u>
6000 Total Operating Expenses	<u>62,964</u>	<u>16</u>	<u>59,594</u>	<u>16</u>
6900 Income From Operation	<u>39,083</u>	<u>10</u>	<u>53,107</u>	<u>13</u>
Non-Operating Income				
7121 Investment Profit Recognized Under Equity Method	2,871	1	16,208	4
7310 Gain on valuation of financial asset	11,923	1	588	-
7110 Interest Income	2,352	1	986	1
7140 Gain on Disposal of Investment	538	-	152	-
7320 Gain on payable of financial asset	878	-	-	-
7160 Exchange Disposal	-	-	3,108	-
7480 Other	<u>2,331</u>	<u>-</u>	<u>980</u>	<u>-</u>
7100 Total	<u>20,893</u>	<u>5</u>	<u>22,022</u>	<u>6</u>
Non-Operation Expense and loss				
7510 Interest Expense	8,056	2	5,918	1
7650 Loss from valuation of financial liabilities	23,714	6	-	-
7570 loss for market price decline	2,500	1	3,000	1
7650 Gain on valuation of financial asset	-	-	4,920	1
7880 Other	<u>171</u>	<u>-</u>	<u>3,145</u>	<u>1</u>
7500 Total	<u>34,441</u>	<u>9</u>	<u>16,983</u>	<u>4</u>
7900 Benefit Before Income Tax	25,535	6	58,146	15
8110 Income Tax Expense (benefit)	<u>1,274</u>	<u>-</u>	<u>161</u>	<u>-</u>
8900 The net income before cumulative effect of changes in accounting principles	<u>254,734</u>	<u>15</u>	<u>269,435</u>	<u>17</u>
9600 Net Income	<u>\$ 24,261</u>	<u>6</u>	<u>\$ 57,985</u>	<u>15</u>

		<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>
9750	Primary EPS				
		<u>\$ 0.18</u>	<u>\$ 0.17</u>	<u>\$ 0.41</u>	<u>\$ 0.41</u>
9850	Fully diluted EPS				
		<u>\$ 0.18</u>	<u>\$ 0.17</u>	<u>\$ 0.41</u>	<u>\$ 0.41</u>