

**CHILISIN ELECTRONICS CORP.**

Consolidated Balance Sheets

June 30, 2010 And 2009

(In Thousands of New Taiwan Dollars, Except Par Value)

Assets		2010		2009		Liabilities and shareholders' equity		2010		2009	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current Assets</b>						<b>Current Liabilities</b>					
1100	Cash and cash equivalents	\$409,526	10	\$553,521	16	2100	Short-term loans	\$80,361	2	\$0	0
1310	Financial assets at fair value through profit or loss - current	12,927	0	172,129	5	2180	Financial liabilities at fair value through profit or loss - current	4,321	0	1,578	0
1320	Available-for-sale financial assets	12,562	0	49,746	1	2120	Notes payable	359	0	740	0
1120	Notes receivable	24,217	1	20,443	1	2140	Accounts payable	636,439	16	306,844	9
1140	Accounts receivable	928,703	23	607,277	17	2150	Accounts payable-related Parties	622	0	4,755	0
1150	Receivables from related parties	27,259	1	6,572	0	2160	Income tax payable	11,025	0	4,311	0
1160	Other receivables	37,343	1	37,479	1	2170	Accrued expenses	119,099	3	90,827	2
120X	Inventories	536,109	14	401,833	11	2210	Other payables	124,884	3	57,143	2
1260	Prepayments	20,517	1	14,760	0	2260	Receipts in advance	14,731	1	0	0
1286	Deferred income tax assets - current	51,987	1	9,586	0	2270	Long-term liabilities - current portion	0	0	166,000	5
1291	Restricted assets	29,346	1	26,658	1	21XX	Total current liabilities	991,841	25	632,198	18
11XX	Total current assets	2,090,496	53	1,900,004	53	<b>Long-term Liabilities</b>					
<b>Long-term Investments</b>						2410	Bonds payable	489,865	13	524,419	15
14XX	Total funds and investments	19,858	0	19,858	1	2420	Long-term loans	0	0	234,330	6
<b>Property, Plant and Equipment</b>						24XX	Total long-term liabilities	489,865	13	758,749	21
<b>Cost</b>						<b>Other Liabilities</b>					
1501	Land	26,820	1	26,820	1	2810	Accrued pension liabilities	52,301	1	48,837	1
1511	Land improvements	1,065	0	1,065	0	2820	Guarantee deposits received	42	0	42	0
1521	Buildings	545,063	14	542,997	15	2880	Other liabilities - other	0	0	4	0
1531	Machinery and equipment	1,902,943	48	1,746,348	49	28XX	Total other liabilities	52,343	1	48,883	1
1537	Molding equipment	13,039	0	10,921	0	2XXX	Total liabilities	1,534,049	39	1,439,830	40
1551	Transportation equipment	15,666	0	17,205	0	<b>Stockholders' Equity</b>					
1561	Office equipment	44,261	1	32,817	1	<b>Capital</b>					
1681	Other equipment	22,575	1	22,747	1	3110	Common stock	1,559,981	39	1,523,506	43
15XX	Cost and revaluation increments	2,571,432	65	2,400,920	67	3130	New share entitlement certificates	113	0	0	0
15X9	Accumulated depreciation	(1,036,087)	(26)	(864,966)	(24)	<b>Capital Reserves</b>					
1670	Construction in progress and prepayment for equipment	271,027	7	8,684	0	3211	Paid-in capital in excess of par value of common stock	50,020	1	47,208	1
15XX	Total property, plant and equipment, net	1,806,372	46	1,544,638	43	3213	Capital reserve from conversion of convertible bonds	151,010	4	119,246	3
<b>Intangible Assets</b>						3220	Additional paid-in capital - treasury stock transactions	30	0	30	0
1770	Deferred pension costs	6,322	0	8,429	0	3271	Capital reserve from employee stock warrants	0	0	0	0
1780	Other intangible assets - other	5,613	0	1,394	0	3272	Capital reserve from stock warrants	96,373	3	107,539	3
17XX	Total intangible assets	11,935	0	9,823	0	3280	Capital reserve - other	303	0	3,276	0
<b>Other Assets</b>						<b>Retained Earnings</b>					
1820	Refundable deposits	3,782	0	8,367	0	3310	Legal reserve	181,461	5	170,104	5
1830	Deferred expenses	19,804	1	22,620	1	3350	Undistributed earnings	363,317	9	132,606	4
1860	Deferred income tax assets - non-current	7,752	0	63,285	2	<b>Other Adjustments to Stockholders' Equity</b>					
1880	Miscellaneous assets - other	1,375	0	1,375	0	3450	Unrealized gain or loss on financial instruments	(4,626)	0	(14,568)	0
18XX	Total other assets	32,713	1	95,647	3	3420	Cumulative translation adjustments	121,736	3	129,880	4
						3430	Unrecognized pension cost	(24,654)	(1)	(20,948)	(1)
						3480	Treasury stock	(67,739)	(2)	(67,739)	(2)
						3XXX	Total shareholders' equity	2,427,325	61	2,130,140	60
1XXX	TOTAL ASSETS	\$3,961,374	100	\$3,569,970	100	1XXX	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$3,961,374	100	\$3,569,970	100

# CHILISIN ELECTRONICS CORP.

Consolidated Statements of Income  
For The Six Months Ended June 30, 2010 And 2009  
(In Thousands of New Taiwan Dollars, Except Par Value)

		2010		2009	
		Amount	%	Amount	%
Operating Revenues					
4110	Sales	\$1,413,246	101	\$936,777	102
4170	Sales returns	(13,575)	(1)	(10,428)	(1)
4190	Sales discounts	(2,299)	0	(11,034)	(1)
4100	Net sales	1,397,372	100	915,315	100
Operating Costs					
5110	Cost of goods sold	(1,018,328)	(73)	(743,743)	(81)
5910	Gross profit	379,044	27	171,572	19
Operating Expenses					
6100	Sales and marketing expenses	(59,644)	(4)	(55,911)	(6)
6200	General and administrative expenses	(49,283)	(3)	(55,536)	(6)
6300	Research and development expenses	(22,290)	(2)	(30,369)	(3)
6000	Total operating expenses	(131,217)	(9)	(141,816)	(15)
6900	Operating income (loss)	247,827	18	29,756	4
Non-operating Income and Gains					
7110	Interest income	1,289	0	4,583	1
7310	Gain on valuation of financial assets	641	0	387	0
7320	Gain on valuation of financial liabilities	0	0	3,022	0
7130	Gain on disposal of property, plant and equipment	457	0	0	0
7140	Gain on disposal of investments	2,621	0	2,257	0
7160	Foreign exchange gain, net	2,766	0	7,206	1
7210	Rental income	0	0	506	0
7280	Reversal of impairment loss	12,216	1	0	0
7480	Other non-operating income	16,862	2	11,612	1
7100	Total non-operating income and gains	36,852	3	29,573	3
Non-operating Expenses and Losses					
7510	Interest expense	(10,183)	(1)	(15,371)	(2)
7650	Loss on valuation of financial liabilities	(3,400)	0	0	0
7530	Loss on disposal of property, plant and equipment	0	0	(60)	0
7880	Other non-operating losses	(667)	0	(838)	0
7500	Total non-operating expenses and losses	(14,250)	(1)	(16,269)	(2)
7900	Income from continuing operations before income tax	270,429	20	43,060	5
8110	Income tax expense	(38,619)	(3)	(15,749)	(2)
9600XX	Net income	\$231,810	17	\$27,311	3
Attributable to:					
9601	Net income	\$231,810	17	\$27,311	3
		Before	After	Before	After
		Income Tax	Income Tax	Income Tax	Income Tax
9750	Basic earnings per share	\$1.78	\$1.53	\$0.29	\$0.18
9850	Diluted earnings per share	\$1.54	\$1.32	\$0.29	\$0.18