

CHILISIN ELECTRONICS CORP.
Consolidated Balance Sheets
3rdQ of year 2003 and 2002

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

Assets	3 rd of year 2003		3 rd of year 2002		
	Amount	%	Amount	%	
Current Assets					
1100	Cash and Cash Equivalents	\$ 15,927	1	\$169,496	7
1110	Short-Term Investments	519,640	22	447,386	19
1120	Notes Receivable	49,242	2	73,417	3
1140	Accounts Receivable-Allowance for 2003 uncollectible accounts NTD 9,386 Thousand on year 2002				
		168,865	7	180,961	8
1150	Receivable to Related parties	57,069	2	120,072	5
1190	Other Assets Banking	16,178	1	11,134	-
1210	Inventories-Net	226,826	10	234,878	10
1286	Deferred Income Tax assets	7,766	1	30,866	1
1298	Other Current Assets	5,201	-	9,839	1
11XX	Total Current Assets	<u>1,066,714</u>	<u>46</u>	<u>1,278,049</u>	<u>54</u>
Long-Term Equity Investments					
142101	Long-Term Equity Investments Recognized Under Equity Method	578,696	25	455,867	19
142102	Long-Term Equity Investments Recognized Under Equity Method	8,250	-	28,724	1
14XX	Total Long-Term Equity Investment	<u>586,946</u>	<u>25</u>	<u>484,591</u>	<u>20</u>
Property, Plant, and Equipment Cost					
1501	Land Improvements	27,195	1	25,395	1
1521	Buildings and Equipment	115,086	5	113,756	5
1531	Machinery and Equipment	595,705	26	574,973	24
1544	Instrument and Equipment	21,505	1	14,624	-
1551	Transportation and Other Equipment	24,221	1	19,442	1
15X1		783,712	34	748,190	31
15X9	Loss:Accumulated Depreciation	315,149	14	265,278	11
		468,563	20	482,912	20
1670	Construction in Progress and Prepayment for Equipment	154,725	7	115,502	5
15XX	Property, Plant, and Equipment-net	<u>623,288</u>	<u>27</u>	<u>598,414</u>	<u>25</u>
Intangible Assets					
1720	Patents	128	-	158	-
1770	Deferred Pension Costs	10,198	-	2,897	-
17XX	Total Intangible Assets	<u>10,326</u>	<u>-</u>	<u>3,055</u>	<u>-</u>
Other Assets					
1820	Refundable Deposit	87	-	62	-
1830	Deferred Costs	11,719	-	13,676	1
1860	Deferred Income Tax Assets	35,228	2	7,547	-
18XX	Total Other Assets	<u>47,034</u>	<u>2</u>	<u>21,285</u>	<u>1</u>
1XXX	Total Assets	<u>\$2,334,308</u>	<u>100</u>	<u>\$2,385,394</u>	<u>100</u>

Liabilities and Stockholders' Equity		3 rd of year 2003		3 rd of year 2002	
		Amount	%	Amount	%
Current Liabilities					
2100	Short-Term Borrowings(Debt)	\$ 34,826	1	\$ 26,809	1
2110	Short-Term Notes and Bills Payable	69,843	3	149,687	6
2120	Notes payable	109,413	5	127,509	5
2140	Accounts Payable	38,568	2	22,596	1
2150	Account Payable-Related Parties	60,479	2	8,907	-
2160	Income Tax Payable	1,813	-	14,578	1
2170	Accrued Expenses	37,961	2	21,982	1
2216	Cash Dividend Payable	-	-	90,300	4
2260	Current Portion of Deferred Income	15,967	1	10,716	1
2280	Other Current Liabilities	9,421	-	23,992	1
21XX	Total Current Liabilities	<u>378,291</u>	<u>16</u>	<u>497,076</u>	<u>21</u>
Long-Term Liabilities					
2410	Corporate Bonds Payable	624,058	27	629,250	26
2420	Long-Term Loan Payable	60,000	2	-	-
24XX	Total Liabilities	<u>684,058</u>	<u>29</u>	<u>629,250</u>	<u>26</u>
Other Liabilities					
2810	Accrued Pension Liabilities	22,404	1	10,434	-
2820	Guarantee Deposit Received	42	-	42	-
2860	Current Portion of Deferred Income	11,378	1	13,199	1
28XX	Total Other Liabilities	<u>33,824</u>	<u>2</u>	<u>23,675</u>	<u>1</u>
2XXX	Total Liabilities	<u>1,096,173</u>	<u>47</u>	<u>1,150,001</u>	<u>48</u>
Stockholders' Equity					
3110	Capital Stock-NT\$ 10par Value; Authorized - 245,800 thousand shares for 2003, Issued- NT\$102,589 shares for 2003, NT\$101,680 thousand for 2002	<u>1,025,890</u>	<u>44</u>	<u>1,016,800</u>	<u>43</u>
Additional Paid-in Capital					
3211	Paid-in Capital in Excess of par	16,322	1	16,322	1
3260	From Long-Term Stock Investments	-	-	1,794	-
32XX	Total Additional Paid-in Capital	<u>16,322</u>	<u>1</u>	<u>18,116</u>	<u>1</u>
Retained Earning					
3310	Legal Reserve	62,677	2	52,557	2
3320	Other Appropriated Retained Earnings	173	-	-	-
3350	Retained Earnings-Unappropriated	162,400	7	140,120	6
33XX	Retained Earning	<u>225,250</u>	<u>9</u>	<u>192,677</u>	<u>8</u>
3420	Cumulative Translation Adjustment	19,242	1	7,800	-
3510	Treasury Stock (Ordinary Stock) - 3,019 thousand shares	(48,569)	(2)	-	-
3XXX	Stockholders' Equity	<u>1,238,135</u>	<u>53</u>	<u>1,235,393</u>	<u>52</u>
Total Liabilities and Stockholders' Equality		<u>\$2,334,308</u>	<u>100</u>	<u>\$2,385,394</u>	<u>100</u>

CHILISIN ELECTRONICS CORP.
Consolidated Statements of Income
3rdQ of year 2003 and 2002

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

	3 rd of Year 2003		3 rd of Year 2002	
	Amount	%	Amount	%
4110 Sales Revenue	\$678,821	101	\$ 668,074	102
4170 Loss: Sales Return and Allowances	(8,114)	(1)	(12,972)	(2)
4100 Sales Revenue- Net	670,707	100	655,102	100
5110 Dow5 or Tooew Wole	540,166	81	513,188	78
Additional (Loss) Receivable of Sales Gross Profit from Related Parties	130,541	19	141,914	22
5920 Receivable of Sales Gross Profit from Related Parties	3,784	1	(554)	-
5910 Gross Profit	134,325	20	141,360	22
Operating Expenses				
6100 Selling Expenses	42,938	6	38,596	6
6200 General and Administrative Expenses	34,449	5	26,158	4
6300 Research and Development Expenses	23,989	4	17,415	3
6000 Total Operating Expenses	101,376	15	82,169	13
6900 Sales Profit	32,949	5	59,191	9
Non-Operating Revenue and Expenses				
7121 Investment Profit Recognized under Equity Method	\$35,987	5	\$45,367	7
7110 Interest Income	15,084	2	11,773	2
7130 Gain on Disposal of Assets	-	-	2,240	-
7140 Gain on Disposal of Investments	30,777	5	500	-
7160 Foreign Exchange Profit	708	-	-	-
7480 Other	8,253	1	12,284	2
7100 Total	90,809	13	72,164	11
Non-Operating Expenses and Loss				
7510 Interest Expense	20,206	3	16,069	3
7570 Loss on market decline of Inventory	2,000	-	8,319	1
7560 Exchange Losses	-	-	8,156	1
7530 Loss on Disposal of Property, Plant, and Equipment	13	-	548	-
7880 Other	4,263	1	2,292	1
7500 Total	26,482	4	35,384	6
7900 Benefit Before Income Tax	97,276	14	95,971	14
8110 Income Tax Expense	(11,420)	(2)	7,580	1
9600 Net Income	\$108,696	16	\$88,391	13
	Before Tax	After Tax	Before Tax	After Tax
9950 Profit of stock				
Primary EPS	\$ 0.98	\$ 1.09	\$ 0.94	\$ 0.86
Fully diluted EPS	\$ 0.93	\$ 1.00	\$ 0.94	\$ 0.86