

CHILISIN ELECTRONICS CORP.

Consolidated Balance Sheets

September 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	%
Current Assets						Current Liabilities					
1100	Cash and cash equivalents	\$435,145	9	\$619,711	17	2100	Short-term loans	\$341,828	7	\$2,821	0
1310	Financial assets at fair value through profit or loss - current	12,528	0	166,448	5	2110	Notes and bills payable	59,985	1	0	0
1320	Available-for-sale financial assets	13,507	0	43,377	1	2180	Financial liabilities at fair value through profit or loss - current	0	0	1,005	0
1120	Notes receivable	11,327	0	19,606	1	2120	Notes payable	388	0	1,294	0
1140	Accounts receivable	796,296	17	691,569	19	2140	Accounts payable	706,546	15	348,964	10
1150	Receivables from related parties	310,432	7	9,841	0	2150	Accounts payable-related Parties	32,420	1	11,337	0
1160	Other receivables	48,076	1	15,030	0	2160	Income tax payable	16,741	0	10,415	0
120X	Inventories	692,822	15	379,703	11	2170	Accrued expenses	166,533	4	97,931	3
1260	Prepayments	17,764	1	14,693	0	2210	Other payables	137,782	3	63,191	2
1286	Deferred income tax assets - current	11,725	0	10,543	0	2260	Receipts in advance	17,052	1	0	0
1291	Restricted assets	36,160	1	32,512	1	2270	Long-term liabilities - current portion	0	0	153,750	4
11XX	Total current assets	2,385,782	51	2,003,033	55	21XX	Total current liabilities	1,479,275	32	690,708	19
Long-term Investments						Long-term Liabilities					
14XX	Total funds and investments	19,858	1	19,858	1	2410	Bonds payable	494,956	11	529,869	15
Property, Plant and Equipment						Other Liabilities					
Cost						2420	Long-term loans	0	0	193,080	5
1501	Land	26,805	1	26,820	1	24XX	Total long-term liabilities	494,956	11	722,949	20
1511	Land improvements	1,065	0	1,065	0	Stockholders' Equity					
1521	Buildings	550,213	12	540,331	15	Capital					
1531	Machinery and equipment	1,974,643	42	1,741,503	48	2810	Accrued pension liabilities	53,064	1	50,000	1
1537	Molding equipment	12,864	0	15,279	0	2820	Guarantee deposits received	42	0	42	0
1551	Transportation equipment	15,035	0	18,671	0	28XX	Total other liabilities	53,106	1	50,042	1
1561	Office equipment	43,689	1	44,636	1	2XXX	Total liabilities	2,027,337	44	1,463,699	40
1681	Other equipment	28,882	1	21,014	1	Capital Reserves					
15XY	Cost and revaluation increments	2,653,196	57	2,409,319	66	3211	Paid-in capital in excess of par value of common stock	50,020	1	49,828	1
15X9	Accumulated depreciation	(1,094,250)	(24)	(908,154)	(25)	3213	Capital reserve from conversion of convertible bonds	151,010	3	119,246	3
1670	Construction in progress and prepayment for equipment	552,208	12	8,376	0	3220	Additional paid-in capital - treasury stock transactions	30	0	30	0
15XX	Total property, plant and equipment, net	2,111,154	45	1,509,541	41	3271	Capital reserve from employee stock warrants	0	0	505	0
Intangible Assets						3272	Capital reserve from stock warrants	96,373	2	107,539	3
1760	Goodwill	53,785	1	0	0	3280	Capital reserve - other	303	0	0	0
1770	Deferred pension costs	6,322	0	8,429	0	Retained Earnings					
1780	Other intangible assets - other	12,834	1	12,262	1	3310	Legal reserve	181,461	4	170,104	5
17XX	Total intangible assets	72,941	2	20,691	1	3350	Undistributed earnings	489,460	10	189,954	5
Other Assets						Other Adjustments to Stockholders' Equity					
1820	Refundable deposits	2,750	0	8,891	0	3450	Unrealized gain or loss on financial instruments	(3,610)	0	(9,836)	0
1830	Deferred expenses	11,336	0	11,223	0	3420	Cumulative translation adjustments	103,848	2	107,563	3
1860	Deferred income tax assets - non-current	43,466	1	60,209	2	3430	Unrecognized pension cost	(24,654)	(1)	(20,948)	0
1880	Miscellaneous assets - other	1,375	0	1,375	0	3480	Treasury stock	(67,739)	(1)	(67,739)	(2)
18XX	Total other assets	58,927	1	81,698	2	3610	Minority interest	84,729	2	0	0
						3XXX	Total shareholders' equity	2,621,325	56	2,171,122	60
1XXX	TOTAL ASSETS	\$4,648,662	100	\$3,634,821	100	1XXX	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$4,648,662	100	\$3,634,821	100

CHILISIN ELECTRONICS CORP.

Consolidated Statements of Income

For The Nine Months Ended September 30, 2010 And 2009

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

		2010		2009	
		Amount	%	Amount	%
Operating Revenues					
4110	Sales	\$2,368,638	102	\$1,546,790	102
4170	Sales returns	(16,449)	(1)	(18,256)	(1)
4190	Sales discounts	(34,243)	(1)	(19,228)	(1)
4100	Net sales	2,317,946	100	1,509,306	100
Operating Costs					
5110	Cost of goods sold	(1,714,158)	(74)	(1,199,412)	(80)
5910	Gross profit	603,788	26	309,894	20
Operating Expenses					
6100	Sales and marketing expenses	(98,750)	(4)	(85,212)	(6)
6200	General and administrative expenses	(93,511)	(4)	(81,331)	(5)
6300	Research and development expenses	(34,283)	(2)	(49,163)	(3)
6000	Total operating expenses	(226,544)	(10)	(215,706)	(14)
6900	Operating income (loss)	377,244	16	94,188	6
Non-operating Income and Gains					
7110	Interest income	3,036	0	6,146	1
7310	Gain on valuation of financial assets	9,281	1	11,728	1
7320	Gain on valuation of financial liabilities	922	0	3,571	0
7122	Dividend income	446	0	0	0
7140	Gain on disposal of investments	2,633	0	3,078	0
7160	Foreign exchange gain, net	0	0	83	0
7210	Rental income	0	0	675	0
7280	Reversal of impairment loss	12,216	1	0	0
7480	Other non-operating income	52,718	2	16,434	1
7100	Total non-operating income and gains	81,252	4	41,715	3
Non-operating Expenses and Losses					
7510	Interest expense	(14,919)	(1)	(22,477)	(1)
7530	Loss on disposal of property, plant and equipment	(325)	0	(320)	0
7560	Foreign exchange loss	(17,368)	(1)	0	0
7880	Other non-operating losses	(6,737)	0	(1,135)	0
7500	Total non-operating expenses and losses	(39,349)	(2)	(23,932)	(1)
7900	Income from continuing operations before income tax	419,147	18	111,971	8
8110	Income tax expense	(61,259)	(3)	(27,312)	(2)
9600XX	Net income	\$357,888	15	\$84,659	6
Attributable to:					
9601	Net income	\$357,953	15	\$84,659	6
9602	Minority interest	(65)	0	0	0
		\$357,888	15	\$84,659	6
		Before	After	Before	After
		Income Tax	Income Tax	Income Tax	Income
9750	Basic earnings per share	\$2.76	\$2.36	\$0.75	\$0.57
9850	Diluted earnings per share	\$2.38	\$2.03	\$0.75	\$0.57