

CHILSIN ELECTRONICS CORP.

Consolidated Balance Sheets

December 31, 2009 And 2008

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

Assets		2009		2008		Liabilities and shareholders' equity		2009		2008	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets						Current Liabilities					
1100	Cash	\$459,958	14	\$381,361	10	2100	Short-term loans	\$79,996	3	\$163,793	4
1310	Financial assets at fair value through profit or loss	80,629	2	178,061	5	2110	Notes and bills payable	0	0	79,914	2
1320	Available-for-sale financial assets	18,316	1	60,534	2	2120	Notes payable	1,553	0	224	0
1120	Notes receivable	25,930	1	33,543	1	2140	Accounts payable	381,916	11	292,456	8
1140	Accounts receivable	637,970	19	686,088	19	2150	Accounts payable-related parties	10,775	0	8,370	0
1150	Receivables from related parties	13,683	0	16,279	0	2160	Income tax payable	15,568	1	20,365	1
1190	Other financial assets	61,618	2	17,996	1	2170	Accrued expenses	109,040	3	94,183	3
1210	Inventories	400,180	12	456,677	13	2180	Financial Liabilities at fair value through profit or loss	922	0	4,635	0
1286	Deferred income tax assets	68,013	2	13,317	0	2224	Payables for equipment	2,562	0	18,638	1
1298	Other current assets	16,216	0	38,071	1	2272	Long-term liabilities - current portion	0	0	149,500	4
11XX	Total current assets	<u>1,782,513</u>	<u>53</u>	<u>1,881,927</u>	<u>52</u>	2280	Other current liabilities	8,194	0	6,382	0
						21XX	Total current liabilities	<u>610,526</u>	<u>18</u>	<u>838,460</u>	<u>23</u>
Long-term Investments						Long-term Liabilities					
1480	Financial assets carried at cost	19,858	1	19,858	1	2410	Bonds payable	528,241	16	513,689	14
						2420	Long-term loans	0	0	79,747	2
						24XX	Total long-term liabilities	<u>528,241</u>	<u>16</u>	<u>593,436</u>	<u>16</u>
Property, Plant and Equipment						Other Liabilities					
Cost						2810	Accrued pension liabilities	52,663	1	61,426	2
1501	Land and land improvements	27,885	1	27,785	1	2820	Guarantee deposits received	42	0	42	0
1521	Buildings	539,463	16	541,341	15	2888	Other liabilities - other	0	0	4	0
1531	Machinery and equipment	1,751,285	51	1,714,716	47	28XX	Total other liabilities	<u>52,705</u>	<u>1</u>	<u>61,472</u>	<u>2</u>
1551	Transportation and other equipment	81,059	3	84,985	2	2XXX	Total liabilities	<u>1,191,472</u>	<u>35</u>	<u>1,493,368</u>	<u>41</u>
15X1		2,399,692	71	2,368,827	65						
15X9	Accumulated depreciation	(949,674)	(28)	(839,697)	(23)						
		1,450,018	43	1,529,130	42						
1670	Construction in progress and prepayments for equipment	86,334	2	104,423	3						
15XX	Total property, plant and equipment, net	<u>1,536,352</u>	<u>45</u>	<u>1,633,553</u>	<u>45</u>						
Intangible Assets						Stockholders' Equity					
1720	Patents	1,367	0	1,512	0	3110	Capital	1,524,976	45	1,523,506	42
1770	Deferred pension costs	6,322	0	8,429	0	3140	Stock subscriptions received in advance	4,509	0	0	0
1780	Other intangible assets	0	0	2,203	0						
17XX	Total intangible assets	<u>7,689</u>	<u>0</u>	<u>12,144</u>	<u>0</u>	Capital Reserves					
Other Assets						3211	Paid-in capital in excess of par value of common stock	50,019	1	47,208	2
1820	Refundable deposits	10,818	0	3,770	0	3213	Capital reserve from conversion of convertible bonds	123,309	4	119,246	3
1830	Deferred expenses	23,662	1	23,784	1	3220	Additional paid-in capital - treasury stock transactions	30	0	30	0
1860	Deferred income tax assets	10,719	0	69,610	2	3271	Capital reserve from employee stock warrants	0	0	3,276	0
1880	Other assets-other	1,375	0	1,375	0	3272	Capital reserve from stock warrants	106,105	3	107,539	3
18XX	Total other assets	<u>46,574</u>	<u>1</u>	<u>98,539</u>	<u>3</u>	3280	Capital reserve - other	303	0	0	0
						32XX	Total capital reserves	<u>279,766</u>	<u>8</u>	<u>277,299</u>	<u>8</u>
						Retained Earnings					
						3310	Legal reserve	170,104	5	161,943	5
						3350	Undistributed earnings	218,863	7	157,961	4
						33XX	Total retained earnings	<u>388,967</u>	<u>12</u>	<u>319,904</u>	<u>9</u>
						3420	Cumulative translation adjustments	101,969	3	131,027	3
						3430	Unrecognized pension cost	(24,654)	(1)	(20,948)	(1)
						3450	Unrealized gain or loss on financial instruments	(6,280)	0	(10,396)	0
						3510	Treasury stock	(67,739)	(2)	(67,739)	(2)
						3XXX	Total shareholders' equity	<u>2,201,514</u>	<u>65</u>	<u>2,152,653</u>	<u>59</u>
1XXX	TOTAL ASSETS	<u>\$3,392,986</u>	<u>100</u>	<u>\$3,646,021</u>	<u>100</u>		TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$3,392,986</u>	<u>100</u>	<u>\$3,646,021</u>	<u>100</u>

CHILISIN ELECTRONICS CORP.

Consolidated Statements of Income
For The Years Ended December 31, 2009 And 2008
(In Thousands of New Taiwan Dollars, Except Par Value)

		2009		2008	
		Amount	%	Amount	%
4110	Sales	\$2,100,736	102	\$2,383,856	103
4170	Sales returns	(22,786)	(1)	(33,506)	(1)
4190	Sales discounts	(15,970)	(1)	(38,211)	(2)
4100	Net sales	2,061,980	100	2,312,139	100
5110	Cost of goods sold	(1,628,006)	(79)	(1,815,846)	(78)
5910	Gross profit	433,974	21	496,293	22
Operating Expenses					
6100	Sales and marketing expenses	(116,262)	(6)	(125,300)	(5)
6200	General and administrative expenses	(122,325)	(6)	(120,133)	(5)
6300	Research and development expenses	(66,349)	(3)	(81,380)	(4)
6000	Total operating expenses	(304,936)	(15)	(326,813)	(14)
6900	Operating income	129,038	6	169,480	8
Non-operating Income and Gains					
7160	Foreign exchange gain, net	8,830	1	0	0
7310	Gain on valuation of financial asset	7,358	1	0	0
7110	Interest income	7,335	0	13,075	0
7140	Gain on disposal of investments	7,173	0	0	0
7320	Gain on valuation of financial liabilities	3,654	0	0	0
7130	Gain on disposal of property, plant and equipment	0	0	576	0
7480	Other non-operating income	19,787	1	13,164	1
7100	Total non-operating income and gains	54,137	3	26,815	1
Non-operating Expenses and Losses					
7510	Interest expense	(29,097)	(1)	(31,829)	(2)
7530	Loss on disposal of property, plant and equipment	(386)	0	(1,896)	0
7640	Loss on valuation of financial assets	0	0	(19,950)	(1)
7560	Foreign exchange loss	0	0	(26,736)	(1)
7630	Impairment loss	(12,215)	(1)	(20,770)	(1)
7540	Loss on disposal of investments	0	0	(1,471)	0
7880	Other non-operating losses	(1,177)	0	(6,156)	0
7500	Total non-operating expenses and losses	(42,875)	(2)	(108,808)	(5)
7900	Income from continuing operations before income tax	140,300	7	87,487	4
8110	Income tax expense	(26,732)	(1)	(5,884)	0
9600	Net income	\$113,568	6	\$81,603	4
		Before	After	Before	After
		Income Tax	Income Tax	Income Tax	Income Tax
9750	Basic earnings per share	\$0.95	\$0.77	\$0.59	\$0.55
9850	Diluted earnings per share	\$0.94	\$0.76	\$0.60	\$0.54