

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods: as of 2005/09/30**

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

	<u>AMOUNT</u>	<u>%</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	804,105	15.7
Short-term investments	195,137	3.8
Notes & account receivable, 3rd party	726,417	14.2
Receivable from related parties	1,624,229	31.8
Other financial assets-current	9,943	0.2
Inventories	807,200	15.8
Prepayments and other current assets	49,527	1.0
Total current assets	<u>4,216,558</u>	<u>82.5</u>
Long-term investments	<u>325,507</u>	<u>6.4</u>
Other financial assets	<u>20,198</u>	<u>0.4</u>
Property, plant and equipment, at cost		
Land	171,874	3.4
Building and leasehold improvements	232,948	4.6
Machinery and equipment	142,615	2.8
Furniture and fixtures, Transportation, others	33,912	0.7
Prepayment for construction and equipment	4,064	0.1
Less: accumulated depreciation	<u>(143,154)</u>	<u>-2.8</u>
Net property, plant and equipment	<u>442,259</u>	<u>8.7</u>
Other assets	<u>106,174</u>	<u>2.1</u>
Total Assets	<u><u>5,110,696</u></u>	<u><u>100.0</u></u>

	AMOUNT	%
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities:		
Short-term loans	368,970	7.2
Notes & accounts payable, 3rd party	1,973,430	38.6
Payables to related parties	120,673	2.4
Accrued expenses and other current lia.	288,473	5.6
Total current liabilities	<u>2,751,546</u>	<u>53.8</u>
Long-term liabilities:		
Bonds payable	-	0.0
Long-term loans, excluding current installments	-	0.0
Total long-term liabilities:	<u>-</u>	<u>0.0</u>
Other liabilities		
Accrued pension cost	11,328	0.2
Deferred intercompany profits and others	-	0.0
Total liabilities	<u>2,762,874</u>	<u>54.1</u>
Stockholders' equity		
Common stock	1,331,249	26.0
Preferred Stock	-	0.0
Capital surplus	288,000	5.6
Retained earnings	716,957	14.0
Translation adjustments	11,616	0.2
Total stockholders' equity	<u>2,347,822</u>	<u>45.9</u>
Commitments and contingent liabilities		
Total liabilities and stockholders' equity	<u>5,110,696</u>	<u>100.0</u>

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CAMEO COMMUNICATIONS, INC.**Income Statement****Periods: Sep. 2005**(In Thousands of New Taiwan Dollars, Except
Earnings Per Share)

	AMOUNT	%
Net sales	7,897,235	100.0%
Cost of goods sold	6,649,621	84.2%
Gross profit	1,247,614	15.8%
Unrealized intercompany profits	-	0.0%
Realized gross profit	1,247,614	15.8%
Operating expenses:		
Selling expenses	293,110	3.7%
Administrative expenses	94,978	1.2%
Research and development expenses	173,188	2.2%
	561,276	7.1%
Operating income	686,338	8.7%
Non-operating income and gains(*):		
Interest income	2,082	0.0%
Long-term investment income (net)	-	0.0%
Gain on disposal of property, plant and equip.	-	0.0%
Short-term investment income (net)	302	0.0%
Income on foreign exchanges (net)	64,083	0.8%
Other income (net)	8,622	0.1%
	75,089	1.0%
Non-operating expenses and loss(*):		
Interest expense	7,734	0.1%
Long-term investment loss (net)	8,207	0.1%
Loss on disposal of property, plant and equipment	739	0.0%
Short-term investment loss (net)	-	0.0%
Loss on foreign exchange	-	0.0%
Inventory obsolescence	37,729	0.5%
Other loss (net)	217	0.0%
	54,626	0.7%
Income before income tax	706,801	8.9%
Income tax expense	132,045	1.7%
Net income	574,756	7.3%
	Before Tax	After Tax
Basic earnings per share	5.31	4.32