

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods:as of 2006/09/30**

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

	<u>AMOUNT</u>	<u>%</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	659,177	11.4
Notes & account receivable, 3rd party	720,811	12.5
Receivable from related parties	1,549,726	26.9
Other financial assets-current	21,685	0.4
Inventories,net	1,210,238	21.0
Prepaid expenses and other current assets	68,819	1.2
Total current assets	<u>4,230,456</u>	<u>73.4</u>
Investments accounted for using equity method	747,427	13.0
Available-for -sale financial assets	66,300	1.2
Other financial assets	7,148	0.1
	<u>820,875</u>	<u>14.3</u>
Property, plant and equipment, at cost		
Land	194,189	3.4
Building and leasehold improvements	221,694	3.8
Machinery and equipment	231,391	4.0
Furniture and fixtures, Transportation, others	87,029	1.5
Prepayment for construction and equipment	10,472	0.2
Less: accumulated depreciation	(217,555)	-3.8
Net property, plant and equipment	<u>527,220</u>	<u>9.2</u>
Other assets	<u>181,545</u>	<u>3.2</u>
Total Assets	<u><u>5,760,096</u></u>	<u><u>100.0</u></u>

	AMOUNT	%
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities:		
Short-term loans	-	0.0
Notes & accounts payable, 3rd party	1,639,516	28.5
Payables to related parties	876,960	15.2
Accrued expenses and other current lia.	619,818	10.8
Total current liabilities	<u>3,136,294</u>	<u>54.4</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	11,374	0.2
Deferred intercompany profits and others	-	0.0
Total liabilities	<u>3,147,668</u>	<u>54.6</u>
Stockholders' equity		
Common stock	1,685,483	29.3
Preferred Stock	-	0.0
Capital surplus	472,594	8.2
Retained earnings	419,036	7.3
Cumulative translation adjustments	29,015	0.5
Unrealized gains on financial instruments	6,300	0.1
Total stockholders' equity	<u>2,612,428</u>	<u>45.4</u>
Commitments and contingent liabilities		
Total liabilities and stockholders' equity	<u><u>5,760,096</u></u>	<u><u>100.0</u></u>

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CAMEO COMMUNICATIONS, INC.**Income Statement****Periods: Sep. 2006**(In Thousands of New Taiwan Dollars,
Except Earnings Per Share)

	AMOUNT	%
Net sales	7,006,099	100%
Cost of goods sold	6,238,742	89%
Gross profit	767,357	11%
Unrealized intercompany profits	-	0%
Realized gross profit	767,357	11%
Operating expenses:		
Selling expenses	144,072	2%
Administrative expenses	108,969	2%
Research and development expenses	304,474	4%
	557,515	8%
Operating income	209,842	3%
Non-operating income and gains:		
Interest income	11,113	0%
Long-term investment income (net)	46,754	1%
Gain on disposal of property, plant and equip.	-	0%
Short-term investment income	-	0%
Income on foreign exchanges (net)	19,372	0%
Other income	26,796	0%
	104,035	1%
Non-operating expenses and loss:		
Interest expense	477	0%
Long-term investment loss	-	0%
Loss on disposal of property, plant and equipment	-	0%
Short-term investment loss	-	0%
Loss on foreign exchange	-	0%
Inventory obsolescence	96,412	1%
Other loss	951	0%
	97,840	1%
Income before income tax	216,037	3%
Income tax expense	-	0%
Net income	216,037	3%
Earnings per share	Before Tax	After Tax
Basic earnings per share	1.28	1.28