

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods:as of 2006/12/31**

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

	<u>AMOUNT</u>	<u>%</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	545,401	10.1
Notes & account receivable, 3rd party	793,976	14.7
Receivable from related parties	1,244,347	23.0
Other financial assets-current	8,571	0.2
Inventories,net	975,635	18.0
Prepaid expenses and other current assets	82,875	1.5
Total current assets	<u>3,650,805</u>	<u>67.4</u>
Investments accounted for using equity method	970,572	17.9
Available-for -sale financial assets	84,300	1.6
Financial assets at cost-noncurrent	13,211	0.2
Other financial assets	7,148	0.1
	<u>1,075,231</u>	<u>19.8</u>
Property, plant and equipment, at cost		
Land	194,189	3.6
Building and leasehold improvements	221,694	4.1
Machinery and equipment	246,998	4.6
Furniture and fixtures, Transportation, others	92,816	1.7
Prepayment for construction and equipment	4,099	0.1
Less: accumulated depreciation	(238,175)	-4.4
Net property, plant and equipment	<u>521,621</u>	<u>9.6</u>
Other assets	<u>170,190</u>	<u>3.1</u>
Total Assets	<u><u>5,417,847</u></u>	<u><u>100.0</u></u>

	AMOUNT	%
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities:		
Short-term loans	533,745	9.9
Notes & accounts payable, 3rd party	1,866,021	34.4
Payables to related parties	88,714	1.6
Accrued expenses and other current lia.	200,508	3.7
Total current liabilities	<u>2,688,988</u>	<u>49.6</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	17,690	0.3
Deferred intercompany profits and others	-	0.0
Total liabilities	<u>2,706,678</u>	<u>50.0</u>
Stockholders' equity		
Common stock	1,685,483	31.1
Preferred Stock	-	0.0
Capital surplus	472,594	8.7
Retained earnings	502,168	9.3
Cumulative translation adjustments	26,624	0.5
Unrealized gains on financial instruments	24,300	0.4
Total stockholders' equity	<u>2,711,169</u>	<u>50.0</u>
Commitments and contingent liabilities		
Total liabilities and stockholders' equity	<u><u>5,417,847</u></u>	<u><u>100.0</u></u>

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

	AMOUNT	%
Net sales	9,538,210	100%
Cost of goods sold	8,501,895	89%
Gross profit	1,036,315	11%
Unrealized intercompany profits	-	0%
Realized gross profit	1,036,315	11%
Operating expenses:		
Selling expenses	199,610	2%
Administrative expenses	152,298	2%
Research and development expenses	419,796	4%
	771,704	8%
Operating income	264,611	3%
Non-operating income and gains:		
Interest income	15,273	0%
Long-term investment income (net)	92,688	1%
Gain on disposal of property, plant and equip.	-	0%
Short-term investment income	-	0%
Income on foreign exchanges (net)	8,705	0%
Other income	42,678	0%
	159,344	2%
Non-operating expenses and loss:		
Interest expense	5,449	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	114,760	1%
Other loss	1,873	0%
	122,082	1%
Income before income tax	301,873	3%
Income tax expense	2,703	0%
Net income	299,170	3%
Earnings per share	Before Tax	After Tax
Basic earnings per share	1.79	1.77