

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods:as of 2007/3/31**

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

	AMOUNT	%
<u>Assets</u>		
Current assets		
Cash and cash equivalents	1,106,195	17.9
Notes & account receivable, 3rd party	579,886	9.4
Receivable from related parties	1,463,762	23.7
Other financial assets-current	17,583	0.3
Inventories,net	1,158,866	18.7
Prepaid expenses and other current assets	94,717	1.5
Total current assets	<u>4,421,009</u>	<u>71.5</u>
Investments accounted for using equity method	1,011,023	16.4
Available-for -sale financial assets	66,720	1.1
Financial assets at cost-noncurrent	13,211	0.2
Other financial assets	7,166	0.1
	<u>1,098,120</u>	<u>17.8</u>
Property, plant and equipment, at cost		
Land	110,378	1.8
Building and leasehold improvements	139,106	2.3
Machinery and equipment	238,398	3.9
Furniture and fixtures, Transportation, others	93,844	1.5
Prepayment for construction and equipment	-	0.0
Less: accumulated depreciation	(231,212)	-3.7
Net property, plant and equipment	<u>350,514</u>	<u>5.7</u>
Intangible assets	<u>142,616</u>	<u>2.3</u>
Other assets	<u>168,673</u>	<u>2.7</u>
Total Assets	<u><u>6,180,932</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	1,174,341	19.0
Payables to related parties	1,212,036	19.6
Accrued expenses and other current lia.	163,274	2.6
Total current liabilities	<u>2,549,651</u>	<u>41.3</u>
Long-term liabilities:		
financial liabilities at fair value through income statement – noncurr	47,360	0.8
Bonds payable	694,012	11.2
Long-term loans, excluding current installments	-	0.0
Total long-term liabilities:	<u>741,372</u>	<u>12.0</u>
Other liabilities		
Accrued pension cost	23,616	0.4
Deferred intercompany profits and others	-	0.0
Total liabilities	<u>3,314,639</u>	<u>53.6</u>
Stockholders' equity		
Common stock	1,685,483	27.3
Preferred Stock	-	0.0
Additional paid-in capital in excess of par	472,594	7.6
Other additional paid-in capital	58,112	0.9
Retained earnings	598,823	9.7
Cumulative translation adjustments	44,561	0.7
Unrealized gains on financial instruments	6,720	0.1
Total stockholders' equity	<u>2,866,293</u>	<u>46.4</u>
Commitments and contingent liabilities		
Total liabilities and stockholders' equity	<u><u>6,180,932</u></u>	<u><u>100.0</u></u>

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CAMEO COMMUNICATIONS, INC.**Income Statement****Periods: Mar. 2007**(In Thousands of New Taiwan Dollars, Except
Earnings Per Share)

	AMOUNT	%
Net sales	2,377,133	100.0
Cost of goods sold	2,144,619	90.2
Gross profit	232,514	9.8
Unrealized intercompany profits	-	-
Realized gross profit	232,514	9.8
Operating expenses:		
Selling expenses	45,318	1.9
Administrative expenses	29,220	1.2
Research and development expenses	113,274	4.8
	187,812	7.9
Operating income	44,702	1.9
Non-operating income and gains:		
Interest income	5,105	0.2
Long-term investment income (net)	22,514	0.9
Gain on disposal of property, plant and equip.	-	-
Short-term investment income	-	-
Income on foreign exchanges (net)	10,108	0.4
Other income	31,671	1.3
	69,398	2.9
Non-operating expenses and loss:		
Interest expense	6,726	0.3
Long-term investment loss	-	-
Loss on disposal of property, plant and equipment	-	-
Short-term investment loss	-	-
Loss on foreign exchange	-	-
Inventory obsolescence	10,455	0.4
Other loss	264	0.0
	17,445	0.7
Income before income tax	96,655	4.1
Income tax expense	-	-
Net income	96,655	4.1
Earnings per share	Before Tax	After Tax
Basic earnings per share	0.57	0.57