

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods:as of 2008/03/31**

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

	<u>AMOUNT</u>	<u>%</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	827,639	11.7
Notes & account receivable, 3rd party	941,919	13.3
Receivable from related parties	1,429,183	20.1
Other financial assets-current	9,447	0.1
Inventories,net	1,499,955	21.1
Prepaid expenses and other current assets	172,785	2.4
Total current assets	<u>4,880,928</u>	<u>68.7</u>
Investments accounted for using equity method	1,450,426	20.4
Available-for -sale financial assets	18,600	0.3
Financial assets at cost-noncurrent	18,209	0.3
Other financial assets	7,301	0.1
	<u>1,494,536</u>	<u>21.0</u>
Property, plant and equipment, at cost		
Land	116,028	1.6
Building and leasehold improvements	129,564	1.8
Machinery and equipment	268,230	3.8
Furniture and fixtures, Transportation, others	108,682	1.5
Prepayment for construction and equipment	-	0.0
Less: accumulated depreciation	(285,662)	-4.0
Net property, plant and equipment	<u>336,842</u>	<u>4.6</u>
Intangible assets	<u>240,919</u>	<u>3.4</u>
Other assets	<u>151,086</u>	<u>2.2</u>
Total Assets	<u><u>7,104,311</u></u>	<u><u>100.0</u></u>

	AMOUNT	%
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities:		
Short-term loans	224,440	3.2
Notes & accounts payable, 3rd party	1,386,277	19.5
Payables to related parties	1,379,738	19.4
Accrued expenses and other current lia.	226,279	3.2
Total current liabilities	<u>3,216,734</u>	<u>45.3</u>
Long-term liabilities:		
financial liabilities at fair value through income statement – noncuri	47,592	0.7
Bonds payable	714,088	10.1
Long-term loans, excluding current installments	-	0.0
Total long-term liabilities:	<u>761,680</u>	<u>10.7</u>
Other liabilities		
Accrued pension cost	-	0.0
Deferred intercompany profits and others	56,234	0.8
Total liabilities	<u>4,034,648</u>	<u>56.8</u>
Stockholders' equity		
Common stock	1,814,612	25.5
Stock dividends to be distributed	-	0.0
Additional paid-in capital in excess of par	438,884	6.2
Other additional paid-in capital	58,112	0.8
Retained earnings	677,507	9.5
Cumulative translation adjustments	52,533	0.7
Unrealized gains on financial instruments	28,015	0.4
Total stockholders' equity	<u>3,069,663</u>	<u>43.2</u>
Commitments and contingent liabilities		
Total liabilities and stockholders' equity	<u><u>7,104,311</u></u>	<u><u>100.0</u></u>

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CAMEO COMMUNICATIONS, INC.**Income Statement****Periods: Mar. 2008**(In Thousands of New Taiwan Dollars, Except
Earnings Per Share)

	AMOUNT	%
Net sales	2,679,294	100.0
Cost of goods sold	2,414,321	90.1
Gross profit	264,973	9.9
Unrealized intercompany profits	(182) -	0.01
Realized gross profit	264,791	9.9
Operating expenses:		
Selling expenses	50,477	1.9
Administrative expenses	32,792	1.2
Research and development expenses	109,940	4.1
	193,209	7.2
Operating income	71,582	2.7
Non-operating income and gains:		
Interest income	3,417	0.1
Long-term investment income (net)	12,117	0.5
Gain from price recovery of inventory	10,695	0.4
Gain on valuation of financial liability	-	0.0
Income on foreign exchanges (net)	-	0.0
Other income	22,450	0.8
	48,679	1.8
Non-operating expenses and loss:		
Interest expense	6,287	0.2
Long-term investment loss	-	0.0
Loss on valuation of financial liability	28,882	1.1
Loss on foreign exchanges (net)	88,814	3.3
Impairment loss	-	0.0
Inventory obsolescence	-	0.0
Other loss	46	0.0
	124,029	4.6
Income before income tax	(3,768)	-0.1
Income tax expense	-	-
Net income	(3,768)	-0.1
Earnings per share	Before Tax	After Tax
Basic earnings per share	(0.02)	(0.02)