

CAMEO COMMUNICATIONS, INC.**Balance Sheet****Periods:as of 2008/06/30**

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

| | <u>AMOUNT</u> | <u>%</u> |
|--|-------------------------|---------------------|
| <u>Assets</u> | | |
| Current assets | | |
| Cash and cash equivalents | 1,583,198 | 18.8 |
| Notes & account receivable, 3rd party | 1,072,394 | 12.7 |
| Receivable from related parties | 1,706,757 | 20.3 |
| Other financial assets-current | 27,255 | 0.3 |
| Inventories,net | 1,546,705 | 18.4 |
| Prepaid expenses and other current assets | 176,547 | 2.1 |
| Total current assets | <u>6,112,856</u> | <u>72.6</u> |
| Investments accounted for using equity method | 1,546,293 | 18.4 |
| Available-for -sale financial assets | 2,268 | 0.0 |
| Financial assets at cost-noncurrent | 18,209 | 0.2 |
| Other financial assets | 22,610 | 0.3 |
| | <u>1,589,380</u> | <u>18.9</u> |
| Property, plant and equipment, at cost | | |
| Land | 60,183 | 0.7 |
| Building and leasehold improvements | 60,692 | 0.7 |
| Machinery and equipment | 268,286 | 3.2 |
| Furniture and fixtures, Transportation, others | 115,296 | 1.4 |
| Prepayment for construction and equipment | - | 0.0 |
| Less: accumulated depreciation | (286,711) | -3.4 |
| Net property, plant and equipment | <u>217,746</u> | <u>2.5</u> |
| Intangible assets | <u>237,405</u> | <u>2.8</u> |
| Other assets | <u>262,023</u> | <u>3.2</u> |
| Total Assets | <u><u>8,419,410</u></u> | <u><u>100.0</u></u> |

| | AMOUNT | % |
|--|-------------------------|---------------------|
| <u>Liabilities and Stockholders' Equity</u> | | |
| Current liabilities: | | |
| Short-term loans | 740,044 | 8.8 |
| Notes & accounts payable, 3rd party | 1,270,023 | 15.1 |
| Payables to related parties | 2,240,193 | 26.6 |
| Accrued expenses and other current lia. | 248,053 | 2.9 |
| Total current liabilities | <u>4,498,313</u> | <u>53.4</u> |
| Long-term liabilities: | | |
| financial liabilities at fair value through income statement – noncuri | 46,792 | 0.6 |
| Bonds payable | 719,250 | 8.5 |
| Long-term loans, excluding current installments | - | 0.0 |
| Total long-term liabilities: | <u>766,042</u> | <u>9.1</u> |
| Other liabilities | | |
| Accrued pension cost | - | 0.0 |
| Deferred intercompany profits and others | 91,325 | 1.1 |
| Total liabilities | <u>5,355,680</u> | <u>63.6</u> |
| Stockholders' equity | | |
| Common stock | 1,814,612 | 21.6 |
| Stock dividends to be distributed | 394,451 | 4.7 |
| Additional paid-in capital in excess of par | 402,592 | 4.8 |
| Other additional paid-in capital | 58,112 | 0.7 |
| Retained earnings | 364,306 | 4.3 |
| Cumulative translation adjustments | 56,853 | 0.7 |
| Unrealized gains on financial instruments | (27,196) | -0.3 |
| Total stockholders' equity | <u>3,063,730</u> | <u>36.4</u> |
| Commitments and contingent liabilities | | |
| Total liabilities and stockholders' equity | <u><u>8,419,410</u></u> | <u><u>100.0</u></u> |

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

| | AMOUNT | % |
|--|-------------------|------------------|
| Net sales | 5,588,629 | 100.0 |
| Cost of goods sold | 5,066,294 | 90.7 |
| Gross profit | 522,335 | 9.3 |
| Unrealized intercompany profits | (2,200) - | 0.04 |
| Realized gross profit | 520,135 | 9.3 |
| Operating expenses: | | |
| Selling expenses | 108,010 | 1.9 |
| Administrative expenses | 72,096 | 1.3 |
| Research and development expenses | 225,586 | 4.0 |
| | 405,692 | 7.3 |
| Operating income | 114,443 | 2.0 |
| Non-operating income and gains: | | |
| Interest income | 9,011 | 0.2 |
| Long-term investment income (net) | 69,925 | 1.3 |
| Gain from price recovery of inventory | 15,089 | 0.3 |
| Gain on valuation of financial liability | - | 0.0 |
| Income on foreign exchanges (net) | - | 0.0 |
| Other income | 49,888 | 0.9 |
| | 143,913 | 2.6 |
| Non-operating expenses and loss: | | |
| Interest expense | 16,298 | 0.3 |
| Long-term investment loss | - | 0.0 |
| Loss on valuation of financial liability | 31,897 | 0.6 |
| Loss on foreign exchanges (net) | 94,601 | 1.7 |
| Impairment loss | 16,332 | 0.3 |
| Inventory obsolescence | - | 0.0 |
| Other loss | 1,087 | 0.0 |
| | 160,215 | 2.9 |
| Income before income tax | 98,141 | 1.8 |
| Income tax expense | 12,583 | 0.23 |
| Net income | 85,558 | 1.5 |
| Earnings per share | Before Tax | After Tax |
| Basic earnings per share | 0.44 | 0.39 |