

CREATIVE SENSOR INC.
Consolidated Income Statement
For the Year Ended December 31, 2007 and 2006

	NTD THOUSANDS	
	2007	2006
<i>OPERATING REVENUES:</i>		
<i>Sales revenue</i>	5,935,934	5,880,162
<i>Sales return</i>	92,398	121,951
<i>Sales discounts and allowances</i>	477	398
<i>Net Sales</i>	5,843,059	5,757,813
<i>OPERATING COSTS</i>		
<i>Cost of goods sold</i>	5,022,461	4,932,521
<i>GROSS MARGIN</i>	820,598	825,292
<i>OPERATING EXPENSES</i>		
<i>Selling expenses</i>	48,728	26,419
<i>General and administrative expenses</i>	102,554	112,696
<i>R&D expenses</i>	92,256	75,468
<i>Total Operating Expenses</i>	243,538	214,583
<i>OPERATING INCOME</i>	577,060	610,709
<i>Interest revenue</i>	27,585	20,929
<i>Gain on valuation of financial asset</i>	0	10,355
<i>Foreign exchange gain</i>	12,536	0
<i>Gain from price recovery of inventory</i>	118	0
<i>Other non-operating revenue-other items</i>	27,014	36,345
<i>NON-OPERATING INCOME</i>	67,253	67,629
<i>Interest expense</i>	25,211	22,716
<i>Loss on valuation of financial asset</i>	1,157	0
<i>Foreign exchange loss</i>	0	17,929
<i>Loss for market price decline and obsolete and slow-moving inventories</i>	0	9,122
<i>Impairment loss</i>	18,173	20,177
<i>Other non-operating expenses-other</i>	5,529	11,833
<i>NON-OPERATING EXPENSES</i>	50,070	81,777
<i>CONTINUING OPERATING INCOME BEFORE TAX</i>	594,243	596,561
<i>INCOME TAX EXPENSES(OR BENEFIT)</i>	114,556	93,050
<i>CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES</i>	0	(6,028)
<i>NET INCOME</i>	479,687	509,539

CREATIVE SENSOR INC.
Consolidated Balance Sheets
December 31, 2007 and 2006

NTD THOUSANDS

	<u>2007</u>	<u>2006</u>		<u>2007</u>	<u>2006</u>
<u>ASSETS</u>			<u>LIABILITIES AND OWNER'S EQUITY</u>		
<u>CURRENT ASSETS</u>			<u>CURRENT LIABILITIES</u>		
Cash and cash equivalents	1,495,720	1,904,603	Short-term debt	227,026	227,676
Financial assets at fair value through income statement	650,029	603,803	Accounts payable	1,102,765	975,868
Accounts receivable	1,262,327	932,576	Income tax payable	12,074	38,073
Other financial assets-current	75,077	27,816	Accrued expenses	218,790	206,677
Inventories	235,913	233,716	Other payables	61,038	82,445
Other current assets	43,682	43,409	Other current liabilities	10,775	8,954
Total Current Assets	<u>3,762,748</u>	<u>3,745,923</u>	Total Current Liabilities	<u>1,632,468</u>	<u>1,539,693</u>
<u>FUNDS AND LONG-TERM INVESTMENTS</u>			<u>LONG-TERM LIABILITIES</u>		
Financial assets in available-for-sale -noncurrent	13,317	13,646	Corporate bonds payable	20,000	133,100
Financial assets at cost-noncurrent	44,251	60,134	<u>OTHER LIABILITIES</u>		
Total Funds and Long-term Investments	<u>57,568</u>	<u>73,780</u>	Accrued pension liabilities	3,439	4,357
			Deferred income tax liabilities	66,908	51,047
			Total Liabilities	<u>1,722,815</u>	<u>1,728,197</u>
<u>PROPERTY, PLANT AND EQUIPMENT</u>			<u>OWNER'S EQUITY</u>		
Machinery and equipment	1,390,535	1,111,571	Capital		
Office equipment	36,496	31,091	Capita-common stock	1,266,820	1,235,603
Leasehold improvements	47,758	42,470	Additional Paid-in Capital		
Other facilities	27,390	17,063	Capital Surplus-Additional paid-In Capital-Common Stock	537,462	537,462
Accumulated depreciation	(774,299)	(571,807)	Capital Surplus-Additional Paid-In Capital-Bond Conversion	134,926	53,043
Prepayment for equipment	177,612	89,295	Treasury Stock Transacion	877	-
Net Property, Plant & Equipment	<u>905,492</u>	<u>719,683</u>	Retained Earnings		
			Legal reserve	196,873	145,919
<u>Intangible Assets</u>	53,378	-	Special reserve	39,847	39,847
			Retained earnings-unappropriated	791,539	833,074
<u>OTHER ASSETS</u>			Equity Adjustments		
Refundable deposit	2,381	2,384	Unrealized gain or loss on financial instruments	5,935	6,264
Deferred assets	13,539	21,019	Cumulative translation adjustment	98,012	27,548
Total Other Assets	<u>15,920</u>	<u>23,403</u>	Treasury Stock		(44,168)
TOTAL ASSETS	<u>4,795,106</u>	<u>4,562,789</u>	Total Owner's Equity	<u>3,072,291</u>	<u>2,834,592</u>
			TOTAL LIABILITIES AND OWNER'S EQUITY	<u>4,795,106</u>	<u>4,562,789</u>

Unit : TWD thousands