

CREATIVE SENSOR INC.
Consolidated Income Statement
For the six months ended June 30, 2008

	NTD THOUSANDS	
	2008	2007
<i>OPERATING REVENUES:</i>		
<i>Sales revenue</i>	2,104,348	2,733,214
<i>Sales return</i>	53,838	69,797
<i>Sales discounts and allowances</i>	753	3
<i>Net Sales</i>	2,049,757	2,663,414
<i>OPERATING COSTS</i>		
<i>Cost of goods sold</i>	1,906,631	2,280,827
<i>GROSS MARGIN</i>	143,126	382,587
<i>OPERATING EXPENSES</i>		
<i>Selling expenses</i>	23,600	22,462
<i>General and administrative expenses</i>	62,572	52,850
<i>R&D expenses</i>	48,156	43,321
<i>Total Operating Expenses</i>	134,328	118,633
<i>OPERATING INCOME</i>	8,798	263,954
<i>Interest revenue</i>	12,220	15,759
<i>Gain on valuation of financial asset</i>	3,146	3,120
<i>Foreign exchange gain</i>	0	11,475
<i>Gain from price recovery of inventory</i>	0	788
<i>Other non-operating revenue-other items</i>	13,821	12,261
<i>NON-OPERATING INCOME</i>	29,187	43,403
<i>Interest expense</i>	10,125	10,937
<i>Loss on valuation of financial asset</i>	32,314	0
<i>Foreign exchange loss</i>	2,387	0
<i>Impairment loss</i>	9,010	9,211
<i>Other non-operating expenses-other</i>	8,500	2,618
<i>NON-OPERATING EXPENSES</i>	62,336	22,766
<i>CONTINUING OPERATING INCOME BEFORE TAX</i>	(24,351)	284,591
<i>INCOME TAX EXPENSES(OR BENEFIT)</i>	10,591	29,296
<i>NET INCOME</i>	(34,942)	255,295

CREATIVE SENSOR INC.**Consolidated Balance Sheets****June 30, 2008 and 2007**

NTD THOUSANDS

	<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>
ASSETS			LIABILITIES AND OWNER'S EQUITY		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	977,690	1,828,227	Short-term debt	265,478	230,121
Financial assets at fair value through income statement	797,633	660,906	Accounts payable	878,499	957,806
Financial assets at cost-current	-	-	Income tax payable	5,545	20,733
Accounts receivable	923,643	1,173,758	Accrued expenses	182,185	210,599
Other receivables	98,784	4,438	Long-term liabilities -current portion	20,000	0
Other financial assets-current	3,978	3,102	Other payables	559,388	649,169
Inventories	359,356	310,274	Other current liabilities	24,029	14,182
Other current assets	39,098	31,201	Total Current Liabilities	1,935,124	2,082,610
Total Current Assets	3,200,182	4,011,906	LONG-TERM LIABILITIES		
FUNDS AND LONG-TERM INVESTMENTS			Corporate bonds payable	-	20,000
Financial assets in available-for-sale -noncurrent	13,974	15,372	OTHER LIABILITIES		
Financial assets at cost-noncurrent	35,241	52,453	Accrued pension liabilities	3,015	3,928
Total Funds and Long-term Investments	49,215	67,825	Deferred income tax liabilities	65,013	40,828
PROPERTY, PLANT AND EQUIPMENT			Total Liabilities	2,003,152	2,147,366
Machinery and equipment	1,329,836	1,191,698	OWNER'S EQUITY		
Office equipment	44,503	33,831	Capital		
Leasehold improvements	47,701	42,950	Capital-common stock	1,266,820	1,266,820
Other facilities	28,002	26,543	Stock dividends to be distributed	33,180	-
Accumulated depreciation	(777,496)	(664,128)	Additional Paid-in Capital		
Prepayment for equipment	662,606	186,679	Capital Surplus-Additional paid-In Capital-Common Stock	537,462	537,462
Net Property, Plant & Equipment	1,335,152	817,573	Capital Surplus-Additional Paid-In Capital-Bond Conversion	134,926	134,926
Intangible assets			Treasury Stock Transacion	877	-
Other intangibles	52,678	-	Retained Earnings		
OTHER ASSETS			Legal reserve	244,842	196,873
Refundable deposit	2,381	2,380	Special reserve	39,847	39,847
Deferred assets	18,318	17,498	Retained earnings-unappropriated	301,829	567,147
Total Other Assets	20,699	19,878	Equity Adjustments		
TOTAL ASSETS	4,657,926	4,917,182	Unrealized gain or loss on financial instruments	6,592	7,990
			Cumulative translation adjustment	88,399	62,919
			Treasury Stock	-	(44,168)
			Total Owner's Equity	2,654,774	2,769,816
			TOTAL LIABILITIES AND OWNER'S EQUITY	4,657,926	4,917,182