

CREATIVE SENSOR INC.
Income Statement
For the Six Month Periods ended June 30,2009 and 2008

NTD THOUSANDS

	<u>2009</u>	%	<u>2008</u>	%
OPERATING REVENUES:				
<i>Sales revenue</i>	1,620,376	102	2,039,031	103
<i>Sales return</i>	(24,159)	(2)	(53,839)	(3)
<i>Sales discounts and allowances</i>	(6)	-	(753)	-
<i>Net Sales</i>	1,596,211	100	1,984,439	100
OPERATING COSTS				
<i>Cost of goods sold</i>	(1,528,250)	(96)	(1,910,118)	(96)
GROSS MARGIN	67,961	4	74,321	4
OPERATING EXPENSES				
<i>Selling expenses</i>	(18,545)	(1)	(19,187)	(1)
<i>General and administrative expenses</i>	(34,633)	(2)	(33,946)	(2)
<i>R&D expenses</i>	(41,693)	(3)	(48,156)	(2)
<i>Total Operating Expenses</i>	(94,871)	(6)	(101,289)	(5)
OPERATING INCOME	(26,910)	(2)	(26,968)	(1)
NON-OPERATING REVENUE AND GAINS				
<i>Interest revenue</i>	1,437	-	6,159	-
<i>Gain on valuation of financial asset</i>	841	-	3,146	-
<i>Foreign exchange gain</i>	688	-	-	-
<i>Miscellaneous income</i>	90,128	6	12,191	1
TOTAL NON-OPERATING REVENUE AND GAINS	93,094	6	21,496	1
NON-OPERATING EXPENSES AND LOSSES				
<i>Interest expense</i>	(3,084)	-	(5,753)	-
<i>Losses on investment recognized by the equity method</i>	(45,073)	(3)	(4,798)	-
<i>Foreign exchange loss</i>	-	-	(11,231)	(1)
<i>Impairment loss</i>	-	-	(9,010)	(1)
<i>Miscellaneous expenditures</i>	(153)	-	(1,739)	-
TOTAL NON-OPERATING EXPENSES AND LOSSES	(48,310)	(3)	(32,531)	(2)
CONTINUING OPERATING INCOME BEFORE TAX	17,874	1	(38,003)	(2)
<i>Income tax expenses(or benefit)</i>	9,844	1	3,061	-
NET INCOME	27,718	2	(34,942)	(2)

CREATIVE SENSOR INC.

Balance Sheets

June 30, 2009 and 2008

NTD THOUSANDS

	<u>2009</u>	%	<u>2008</u>	%		<u>2009</u>	%	<u>2008</u>	%
ASSETS					LIABILITIES AND OWNER'S EQUITY				
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	272,358	7	551,259	13	Short-term borrowings	-	-	78,884	2
Financial assets at fair value through profit or loss - current	314,851	8	797,633	19	Accounts payable	63,557	2	146,320	3
Accounts receivable, net	823,915	22	896,096	21	Accounts payable - related parties	774,596	20	736,219	17
Other receivables	288	-	92,879	2	Income tax payable	1,907	-	633	-
Other receivables - related parties	74,411	2	192,986	5	Accrued expenses	92,176	2	155,874	4
Other financial assets - current	12,293	-	3,978	-	Other payables	28,834	1	373,619	9
Inventory	5,208	-	8,748	-	Debts maturing within one year or one operating cycle	-	-	20,000	-
Other current assets	6,736	-	5,357	-	Other current liabilities	27,388	1	29,437	1
Total Current Assets	<u>1,510,060</u>	<u>39</u>	<u>2,548,936</u>	<u>60</u>	Total Current Liabilities	<u>988,458</u>	<u>26</u>	<u>1,540,986</u>	<u>36</u>
FUNDS AND INVESTMENTS					OTHER LIABILITIES				
Financial assets available for sale - non-current	195,085	5	13,974	-	Accrued pension liabilities	671	-	3,015	-
Financial assets carried at cost - non-current	3,590	-	35,241	1	Deferred income tax liability - non-current	-	-	65,013	2
Long-term equity investments accounted for under the equity method	2,050,218	54	1,618,430	38	Other liabilities, total	671	-	68,028	2
Total funds and investments	<u>2,248,893</u>	<u>59</u>	<u>1,667,645</u>	<u>39</u>	Total Liabilities	<u>989,129</u>	<u>26</u>	<u>1,609,014</u>	<u>38</u>
FIXED ASSETS					SHAREHOLDER INTERESTS				
Machinery & equipment	189,679	5	181,192	4	SHARE CAPITAL				
Office equipment	29,256	1	23,925	1	Share capital - common stock	1,270,000	33	1,266,820	30
Leasehold improvements	29,595	1	29,285	1	Stock dividends to be distributed	-	-	33,180	1
Other equipment	5,655	-	5,282	-	Additional paid-in capital				
Cost and revaluation increments	254,185	7	239,684	6	Common stock share premium	537,462	14	537,462	12
Less: accumulated depreciation	(194,819)	(5)	(203,781)	(5)	Conversion premium on convertible bonds	134,926	4	134,926	3
Unfinished construction & equipment prepayments	84	-	1,948	-	Treasury stock transactions	3,996	-	877	-
Fixed assets, net	<u>59,450</u>	<u>2</u>	<u>37,851</u>	<u>1</u>	Retained earnings				
INTANGIBLE ASSETS					Statutory capital reserve	245,856	6	244,842	6
OTHER ASSETS					Special reserve	39,847	1	39,847	1
Refundable deposits	2,620	-	2,381	-	Undistributed surplus	348,213	9	301,829	7
Deferred expenses	5,272	-	6,370	-	Equity Adjustments				
Deferred income tax assets - non-current	7,279	-	-	-	Unrealized gain or loss on financial instruments	24,428	1	6,592	-
Other assets - other	315	-	605	-	Cumulative translation adjustment	240,032	6	88,399	2
Other assets, total	<u>15,486</u>	<u>-</u>	<u>9,356</u>	<u>-</u>	Total shareholder equity	<u>2,844,760</u>	<u>74</u>	<u>2,654,774</u>	<u>62</u>
TOTAL ASSETS	<u>3,833,889</u>	<u>100</u>	<u>4,263,788</u>	<u>100</u>	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>3,833,889</u>	<u>100</u>	<u>4,263,788</u>	<u>100</u>