POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
September 30, 2008
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

ASSETS	2008 Amount	%
CURRENT ASSETS		
Cash and cash equivalents	$ 31,525,386	13
Financial assets measured at fair value through profit or loss, current	3,724,711	2
Available-for-sale financial assets, current	6,618,086	3
Notes receivable	57,751	-
Accounts receivable	32,574,005	13
Accounts receivable from affiliates	1,207,418	1
Other receivables	5,354,139	2
Inventories	28,965,600	12
Other current assets	10,983,580	5
Total current assets	121,010,676	51
FUNDS AND LONG-TERM INVESTMENTS		
Investments accounted for by the equity method	30,951,564	13
Investments in real estate	1,435,789	1
Available-for-sale financial assets, noncurrent	1,013,290	-
Hedging derivative asset, noncurrent	11,699	-
Financial assets carried at cost, noncurrent	1,268,835	1
Total funds and long-term investments	34,681,177	15
PROPERTY, PLANT AND EQUIPMENT		
Cost	99,090,222	42
Revaluation increment	293,323	-
	99,383,545	42
Less accumulated depreciation	(39,747,732)	(17)
Less accumulated impairment	(164,021)	-
Construction in progress and prepayments for equipment	4,170,438	2
Property, plant and equipment, net	63,642,230	27
INTANGIBLE ASSETS		
Goodwill	7,050,013	3
Deferred pension cost	1,970	-
Total intangible assets	7,051,983	3
OTHER ASSETS	9,126,577	4
TOTAL	$ 235,512,643	100

LIABILITIES AND STOCKHOLDERS' EQUITY	2008 Amount	%
CURRENT LIABILITIES		
Short-term loans	$ 33,824,570	14
Short-term bills payable	988,307	1
Notes payable	108,607	-
Notes payable to affiliates	65,861	-
Accounts payable	17,389,980	7
Accounts payable to affiliates	1,376,305	1
Income tax payable	514,939	-
Financial liabilities measured at fair value through profit or loss, current	785,042	-
Other payables	9,684,994	4
Current portion of long-term liabilities	13,266,593	6
Other current liabilities	2,996,756	1
Total current liabilities	81,001,954	34
LONG-TERM LIABILITIES		
Bonds payable	8,069,458	3
Long-term debt	38,823,768	17
Total long-term liabilities	46,893,226	20
RESERVE FOR LAND VALUE INCREMENT TAX	142,664	-
OTHER LIABILITIES		
Accrued pension cost	594,418	-
Guarantee deposits received	3,565	-
Total other liabilities	597,983	-
Total liabilities	128,635,827	54
STOCKHOLDERS' EQUITY		
Capital stock	27,899,255	12
Capital surplus	7,445,956	3
Retained earnings	13,194,178	6
Cumulative translation adjustments	387,072	-
Unrealized losses on financial instruments	(2,926,851)	(1)
Unrealized revaluation increment	134,641	-
Treasury stock	(1,241,416)	-
Minority interest	61,983,981	26
Total stockholders' equity	106,876,816	46
TOTAL	$ 235,512,643	100

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	2008	
	Amount	**%**
GROSS SALES AND REVENUES EARNED	$160,114,673	100
LESS SALES RETURNS AND ALLOWANCES	(311,976)	-
NET SALES AND REVENUES EARNED	159,802,697	100
COST OF GOODS SOLD	123,816,970	77
GROSS PROFIT	35,985,727	23
OPERATING EXPENSES		
Selling expenses	9,063,973	6
General and administrative expenses	11,108,865	7
Research and development expenses	3,900,399	2
Total operating expenses	24,073,237	15
INCOME FROM OPERATIONS	11,912,490	8
NON-OPERATING INCOME		
Interest income	457,363	-
Investment income recognized under equity method	1,075,185	1
Dividend income	611,309	-
Gain on disposal of property, plant and equipment	33,633	-
Gain on disposal of investments	436,180	-
Rental income	45,913	-
Reversal of provision for bad debts	40,425	-
Valuation gain on financial assets	101,851	-
Others	228,169	-
Total non-operating income	3,030,028	1

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	2008	
	Amount	**%**
NON-OPERATING EXPENSES		
Interest expense	$ 2,675,735	2
Loss on disposal of property, plant and equipment	186,915	-
Foreign exchange loss, net	232,219	-
Provision for loss on inventory	83,407	-
Valuation loss on financial liabilities	27,416	-
Others	361,206	-
Total non-operating expenses	3,566,898	2
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	11,375,620	7
INCOME TAX EXPENSE	(569,734)	-
CONSOLIDATED NET INCOME	$ 10,805,886	7
ATTRIBUTED TO		
Parent Company's stockholders	$ 5,170,210	3
Minority interest	5,635,676	4
	$ 10,805,886	7

	2008	
	Before Income Tax	**After Income Tax**
BASIC EARNINGS PER SHARE		
Included income for minority interests	$ 4.14	$ 3.94
Attributed to stockholders of the Parent Company		$ 1.88
DILUTED EARNINGS PER SHARE		
Included income for minority interests	$ 4.09	$ 3.88
Attributed to stockholders of the Parent Company		$ 1.86

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

Pro-forma information, assuming common shares of the Parent Company held by its subsidiaries were not treated as treasury stock:

	2008
CONSOLIDATED NET INCOME ATTRIBUTED TO STOCKHOLDERS OF THE PARENT COMPANY	$ 5,178,894

	2008	
	Before Income Tax	After Income Tax
BASIC EARNINGS PER SHARE		
Included income for minority interests	$ 4.13	$ 3.93
Attributed to stockholders of the Parent Company		$ 1.88
DILUTED EARNINGS PER SHARE		
Included income for minority interests	$ 4.08	$ 3.87
Attributed to stockholders of the Parent Company		$ 1.86

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARES

CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	2008
CASH FLOWS FROM OPERATING ACTIVITIES	
Consolidated net income	$ 10,805,886
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation and amortization	5,336,896
Amortization of the cost of issuing Euro Convertible Bonds	619,364
Valuation gain on financial assets	(101,851)
Valuation loss on financial liabilities	27,416
Reversal of bad debts	(40,425)
Provision for loss on inventories devaluation	83,407
Investment income recognized under equity method	(1,075,185)
Cash dividends received from investees under equity method	464,887
Gain on disposal of investments	(436,180)
Net loss on disposal of property, plant and equipment	153,282
Net changes in operating assets and liabilities	
Increase in financial assets at fair value through profit or loss, current	(3,680,146)
Notes receivable	213,011
Accounts receivable	(5,242,704)
Accounts receivable from affiliates	45,623
Other receivables	(1,051,827)
Inventories	(7,891,778)
Other current assets	(4,484,038)
Deferred income tax asset, noncurrent	(7,253)
Long-term accounts receivable	(110,916)
Other assets	(99)
Income tax prepayment	(893)
Notes payable	30,909
Notes payable to affiliates	12,245
Accounts payable	81,131
Accounts payable to affiliates	258,152
Income tax payable	(552,499)
Other payables	81,366
Other current liabilities	848,460
Reserve for retirement plan	18,463
Minority interest	8,470,658
Net cash provided by operating activities	2,875,362

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	2008
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in investments accounted for by the equity method	$ (2,991,523)
Proceeds from capital reduction of long-term equity investments	106,964
Proceeds from disposal of investments	1,873,758
Increase in available-for-sale financial assets, noncurrent	(420,998)
Increase in financial assets carried at cost, noncurrent	(345,735)
Acquisition of property, plant and equipment	(8,898,645)
Acquisition of leased equipment	(2,195)
Proceeds from disposal of property, plant and equipment	1,869,019
Proceeds from disposal of leased equipment	1,894
Increase in investment in real estate	(654,742)
Increase in refundable deposits	(1,879,670)
Decrease in goodwill	1,120
Increase in deferred charges	(477,290)
Net cash used in investing activities	(11,818,043)
CASH FLOWS FROM FINANCING ACTIVITIES	
Increase in short-term loans	14,563,427
Increase in short-term bills payable	211,199
Increase in long-term loans	11,367,740
Redeemed domestic secured bonds	(5,000,000)
Decrease in guarantee deposits received	(16,222)
Execution of employee stock warrants	36,400
Bonuses to directors and supervisors	(169,000)
Cash dividends	(2,462,255)
Acquisitions of treasury stock	(1,086,040)
Net cash provided by financing activities	17,445,249
EFFECT OF EXCHANGE RATE CHANGES ON CASH	840,801
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,343,369
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	22,182,017
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 31,525,386

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2008
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	2008
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash paid during the period	
Interest (excluding interest capitalized)	$ 2,626,522
Income tax	$ 892,357
SUPPLEMENTAL DISCLOSURES OF NONCASH OPERATING, INVESTING AND FINANCING ACTIVITIES	
Unrealized gain on cash flow hedge financial liabilities	$ 17,849
Unrealized loss on available-for-sale financial assets from subsidiaries	$ (1,965,667)
Effect of changes in ownership interest in investees	$ 2,015,239
Unrealized loss on available-for-sale financial assets	$ (891,323)
Adjustments of retained earnings by subsidiaries	$ (63,638)
Translation adjustments on foreign long-term equity investments	$ 544,156
Cash dividends received by subsidiaries	$ 8,684
Current portion of long-term liabilities	$ 13,266,593
Cash paid during the period for acquisition of property, plant and equipment	
Fair value of property, plant and equipment acquired	$ 8,887,372
Add payables for acquisition of property, plant and equipment at beginning of period	319,536
Less payables for acquisition of property, plant and equipment at end of period	(308,263)
Cash paid during the period for acquisition of property, plant and equipment	$ 8,898,645

(Concluded)