

POU CHEN CORPORATION

BALANCE SHEETS

March 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

ASSETS	2009		2008		LIABILITIES AND STOCKHOLDERS' EQUITY	2009		2008	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	\$ 1,471,407	2	\$ 1,778,184	3	Short-term loans	\$ 1,890,000	3	\$ 4,310,000	7
Financial assets at fair value through profit or loss, current	101,810	-	4,462,159	7	Notes payable	31,703	-	75,500	-
Available-for-sale financial assets, current	1,933,533	3	-	-	Notes payable to affiliates	44,038	-	30,827	-
Notes receivable	14,590	-	2,508	-	Accounts payable	790,696	1	1,109,408	2
Notes receivable from affiliates	37,557	-	17,703	-	Accounts payable to affiliates	167,688	1	152,268	-
Accounts receivable	126,099	-	85,464	-	Income tax payable	513	-	418,736	-
Accounts receivable from affiliates	1,170,314	2	1,609,125	3	Hedging derivative liabilities, current	33,364	-	46,193	-
Other receivables	458,215	1	583,750	1	Other payables	819,586	1	488,989	1
Inventories	204,213	-	260,046	-	Current portion of long-term liabilities	3,875,000	6	5,001,520	8
Other current assets	75,763	-	101,018	-	Other current liabilities	23,268	-	59,537	-
Total current assets	5,593,501	8	8,899,957	14	Total current liabilities	7,675,856	12	11,692,978	18
FUNDS AND LONG-TERM INVESTMENTS					LONG-TERM LIABILITIES				
Investments accounted for by the equity method	54,468,950	81	48,139,062	75	Long-term debt	12,125,000	18	9,000,000	14
Hedging derivative asset, noncurrent	-	-	26,676	-	Hedging derivative liabilities, noncurrent	152,686	-	-	-
Financial assets carried at cost, noncurrent	-	-	50,000	-	Total long-term liabilities	12,277,686	18	9,000,000	14
Total funds and long-term investments	54,468,950	81	48,215,738	75	RESERVE FOR LAND VALUE INCREMENT TAX	86,547	-	86,547	-
PROPERTY, PLANT AND EQUIPMENT					OTHER LIABILITIES				
Cost	5,401,361	9	5,410,635	9	Accrued pension cost	582,470	1	560,059	1
Revaluation increment	279,008	-	279,008	-	Guarantee deposits received	2,288	-	2,696	-
	5,680,369	9	5,689,643	9	Others	31,616	-	41,821	-
Less accumulated depreciation	(1,800,643)	(3)	(1,615,446)	(3)	Total other liabilities	616,374	1	604,576	1
Construction in progress and prepayments for equipment	-	-	31,908	-	Total liabilities	20,656,463	31	21,384,101	33
Property, plant and equipment, net	3,879,726	6	4,106,105	6	STOCKHOLDERS' EQUITY				
OTHER ASSETS	3,147,919	5	3,195,041	5	Capital stock	27,125,675	40	25,136,070	39
					Capital surplus	7,026,304	11	5,427,644	8
					Retained earnings	14,357,903	21	16,441,556	26
					Cumulative translation adjustments	2,939,415	5	(2,694,838)	(4)
					Unrealized losses on financial instruments	(3,804,823)	(6)	(170,917)	-
					Unrealized revaluation increment	134,641	-	134,641	-
					Treasury stock	(1,345,482)	(2)	(1,241,416)	(2)
					Total stockholders' equity	46,433,633	69	43,032,740	67
TOTAL	<u>\$ 67,090,096</u>	<u>100</u>	<u>\$ 64,416,841</u>	<u>100</u>	TOTAL	<u>\$ 67,090,096</u>	<u>100</u>	<u>\$ 64,416,841</u>	<u>100</u>

POU CHEN CORPORATION

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Amount	%	Amount	%
GROSS SALES AND REVENUES EARNED	\$ 2,424,935	100	\$ 2,882,110	101
LESS SALES RETURNS AND ALLOWANCES	<u>(4,655)</u>	<u>-</u>	<u>(18,926)</u>	<u>(1)</u>
NET SALES AND REVENUES EARNED	2,420,280	100	2,863,184	100
COST OF GOODS SOLD	<u>1,778,854</u>	<u>73</u>	<u>2,217,855</u>	<u>77</u>
GROSS PROFIT BEFORE UNREALIZED OR REALIZED GROSS PROFIT FROM INTER-AFFILIATE TRANSACTIONS	641,426	27	645,329	23
(UNREALIZED) REALIZED GROSS PROFIT FROM INTER-AFFILIATE TRANSACTIONS	<u>(871)</u>	<u>-</u>	<u>1,943</u>	<u>-</u>
GROSS PROFIT	<u>640,555</u>	<u>27</u>	<u>647,272</u>	<u>23</u>
OPERATING EXPENSES				
Selling expenses	46,288	2	59,834	2
General and administrative expenses	469,963	19	318,496	11
Research and development expenses	<u>208,454</u>	<u>9</u>	<u>210,448</u>	<u>8</u>
Total operating expenses	<u>724,705</u>	<u>30</u>	<u>588,778</u>	<u>21</u>
(LOSS) INCOME FROM OPERATIONS	<u>(84,150)</u>	<u>(3)</u>	<u>58,494</u>	<u>2</u>
NON-OPERATING INCOME				
Interest income	4,120	-	8	-
Investment income recognized under equity method	1,337,875	55	2,579,450	90
Gain on disposal of property, plant and equipment	53	-	374	-
Gain on disposal of investment	43	-	-	-
Foreign exchange gain, net	56,348	2	-	-
Rental income	43,266	2	49,666	2
Reversal of provision for bad debts	91	-	1,546	-
Valuation gain on financial assets	1,811	-	610,101	22
Others	<u>37,716</u>	<u>2</u>	<u>33,000</u>	<u>1</u>
Total non-operating income	<u>1,481,323</u>	<u>61</u>	<u>3,274,145</u>	<u>115</u>

(Continued)

POU CHEN CORPORATION

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Amount	%	Amount	%
NON-OPERATING EXPENSES				
Interest expense	\$ 98,276	4	\$ 106,293	4
Loss on disposal of property, plant and equipment	68	-	65	-
Loss on disposal of investments	-	-	-	-
Foreign exchange loss, net	-	-	248,224	9
Others	<u>15,722</u>	<u>1</u>	<u>17,151</u>	<u>-</u>
Total non-operating expenses	<u>114,066</u>	<u>5</u>	<u>371,733</u>	<u>13</u>
INCOME BEFORE INCOME TAX	1,283,107	53	2,960,906	104
INCOME TAX BENEFIT	<u>-</u>	<u>-</u>	<u>8,630</u>	<u>-</u>
NET INCOME	<u>\$ 1,283,107</u>	<u>53</u>	<u>\$ 2,969,536</u>	<u>104</u>
	2009		2008	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
BASIC EARNINGS PER SHARE	<u>\$ 0.48</u>	<u>\$ 0.48</u>	<u>\$ 1.07</u>	<u>\$ 1.07</u>
DILUTED EARNINGS PER SHARE	<u>\$ 0.48</u>	<u>\$ 0.48</u>	<u>\$ 1.06</u>	<u>\$ 1.06</u>

(Continued)

POU CHEN CORPORATION

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

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

	2009		2008	
NET INCOME	<u>\$ 1,283,107</u>		<u>\$ 2,969,536</u>	
	2009		2008	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
BASIC EARNINGS PER SHARE	<u>\$ 0.48</u>	<u>\$ 0.48</u>	<u>\$ 1.07</u>	<u>\$ 1.07</u>
DILUTED EARNINGS PER SHARE	<u>\$ 0.47</u>	<u>\$ 0.47</u>	<u>\$ 1.06</u>	<u>\$ 1.06</u>

(Concluded)

POU CHEN CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	Capital Surplus				Retained Earnings			Other Equity			Treasury Stock	Total	
	Capital Stock	Additional Paid-in Capital of Common Stock	Additional Paid-in Capital of Bonds Conversion	Treasury Stock	Long-Term Equity Investments	Legal Reserve	Special Reserve	Unappropriated Earnings	Cumulative Translation Adjustments	Unrealized Losses on Financial Instruments			Unrealized Revaluation Increment
BALANCE, JANUARY 1, 2009	\$ 27,400,055	\$ 793,573	\$ 1,465,950	\$ 1,574,683	\$ 3,410,318	\$ 4,749,843	\$ 110,153	\$ 8,214,800	\$ 1,416,859	\$ (4,151,134)	\$ 134,641	\$ (1,499,640)	\$ 43,620,101
Effect of changes of ownership interest in investees	-	-	-	-	(82,894)	-	-	-	-	-	-	-	(82,894)
Adjustments on changes of unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	-	-	111,695	-	-	111,695
Adjustments on changes of investee's unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	-	-	231,350	-	-	231,350
Adjustments on changes of unrealized gain on cash flow hedge financial liability	-	-	-	-	-	-	-	-	-	3,266	-	-	3,266
Execution of employee stock warrants	620	-	-	-	-	-	-	-	-	-	-	-	620
Translation adjustments on foreign long-term equity investments	-	-	-	-	-	-	-	-	1,522,556	-	-	-	1,522,556
Acquisition of treasury stock - 17,300 thousand shares	-	-	-	-	-	-	-	-	-	-	-	(256,168)	(256,168)
Retirement of treasury stock - 27,500 thousands shares	(275,000)	(7,965)	(14,713)	(112,648)	-	-	-	-	-	-	-	410,326	-
Net income for three months ended March 31, 2009	-	-	-	-	-	-	-	1,283,107	-	-	-	-	1,283,107
BALANCE, MARCH 31, 2009	<u>\$ 27,125,675</u>	<u>\$ 785,608</u>	<u>\$ 1,451,237</u>	<u>\$ 1,462,035</u>	<u>\$ 3,327,424</u>	<u>\$ 4,749,843</u>	<u>\$ 110,153</u>	<u>\$ 9,497,907</u>	<u>\$ 2,939,415</u>	<u>\$ (3,804,823)</u>	<u>\$ 134,641</u>	<u>\$ (1,345,482)</u>	<u>\$ 46,433,633</u>
BALANCE, JANUARY 1, 2008	\$ 25,118,540	\$ 808,054	\$ 1,492,700	\$ 1,757,844	\$ 1,363,435	\$ 4,269,818	\$ 1,423,250	\$ 7,778,952	\$ (157,084)	\$ (87,710)	\$ 134,641	\$ (155,375)	\$ 43,747,065
Effect of changes of ownership interest in investees	-	-	-	-	5,611	-	-	-	-	-	-	-	5,611
Adjustments on changes of unrealized loss on available-for-sale financial assets	-	-	-	-	-	-	-	-	-	(69,840)	-	-	(69,840)
Adjustments on changes of unrealized loss on cash flow hedge financial liability	-	-	-	-	-	-	-	-	-	(13,367)	-	-	(13,367)
Acquisition of treasury stocks	-	-	-	-	-	-	-	-	-	-	-	(1,086,041)	(1,086,041)
Execution of employee stock warrants	17,530	-	-	-	-	-	-	-	-	-	-	-	17,530
Translation adjustments on foreign long-term equity investments	-	-	-	-	-	-	-	-	(2,537,754)	-	-	-	(2,537,754)
Net income for three months ended March 31, 2008	-	-	-	-	-	-	-	2,969,536	-	-	-	-	2,969,536
BALANCE, MARCH 31, 2008	<u>\$ 25,136,070</u>	<u>\$ 808,054</u>	<u>\$ 1,492,700</u>	<u>\$ 1,757,844</u>	<u>\$ 1,369,046</u>	<u>\$ 4,269,818</u>	<u>\$ 1,423,250</u>	<u>\$ 10,748,488</u>	<u>\$ (2,694,838)</u>	<u>\$ (170,917)</u>	<u>\$ 134,641</u>	<u>\$ (1,241,416)</u>	<u>\$ 43,032,740</u>

POU CHEN CORPORATION

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 1,283,107	\$ 2,969,536
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Depreciation and amortization	84,937	101,118
Reversal of bad debts	(91)	(1,546)
Unrealized (realized) gross profit from inter-affiliate transactions	871	(1,943)
Investment income recognized under equity method	(1,337,875)	(2,579,450)
Net loss (gain) on disposal of property, plant and equipment	15	(309)
Net gain on disposal of investments	(43)	-
Valuation gain on financial assets	(1,811)	(610,101)
Net changes in operating assets and liabilities		
Notes receivable	22,437	(2,127)
Notes receivable from affiliates	(35,030)	8,822
Accounts receivable	72,755	332,988
Accounts receivable from affiliates	(98,315)	(249,842)
Other receivables	(7,102)	(142,165)
Inventories	(55,409)	(125,248)
Other current assets	3,340	(12,114)
Deferred income tax asset, noncurrent	-	(1,400)
Other assets	(333)	-
Notes payable	(4,342)	22,483
Notes payable to affiliates	(12,258)	(22,789)
Accounts payable	142,376	277,756
Accounts payable to affiliates	44,931	(265,628)
Other payables	100,683	(22,998)
Other current liabilities	(1,404)	6,098
Foreign exchange adjustment on Euro Convertible Bonds	-	(102)
Reserve for retirement plan	<u>5,223</u>	<u>5,764</u>
Net cash provided by (used in) operating activities	<u>206,662</u>	<u>(313,197)</u>

(Continued)

POU CHEN CORPORATION

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in financial assets at fair value through profit or loss, current	\$ 43	\$ (772,291)
Increase in investments accounted for by the equity method	(40)	(170,000)
Proceeds from capital reduction of long-term equity investments	-	1,922,115
Acquisitions of property, plant and equipment	(8,018)	(40,802)
Proceeds from disposal of property, plant and equipment	870	4,791
Acquisitions of leased assets	(799)	-
Increase in refundable deposits	735	-
Increase in deferred charges	<u>(4,644)</u>	<u>(2,508)</u>
Net cash (used in) provided by investing activities	<u>(11,853)</u>	<u>941,305</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	\$ (1,670,000)	1,150,000
Execution of employee stock warrants	620	17,530
Cash paid for acquisition of treasury stocks	<u>(256,168)</u>	<u>(1,086,041)</u>
Net cash (used in) provided by financing activities	<u>(1,925,548)</u>	<u>81,489</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,730,739)	709,597
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>3,202,146</u>	<u>1,068,587</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 1,471,407</u>	<u>\$ 1,778,184</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period		
Interest (excluding interest capitalized)	<u>\$ 110,206</u>	<u>\$ 82,096</u>
Income tax	<u>\$ 333</u>	<u>\$ -</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Adjustments on changes of unrealized gain (loss) on available-for-sale financial assets	<u>\$ 343,045</u>	<u>\$ (69,840)</u>
Adjustments on changes of unrealized gain (loss) on cash flow hedge financial liabilities	<u>\$ 3,266</u>	<u>\$ (13,367)</u>
Effect of changes in ownership interest in investees	<u>\$ (82,894)</u>	<u>\$ 5,611</u>

(Continued)

POU CHEN CORPORATION

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
Current portion of long-term liabilities	<u>\$ 3,875,000</u>	<u>\$ 5,001,520</u>
Translation adjustments on foreign long-term equity investments	<u>\$ 1,522,556</u>	<u>\$ (2,537,754)</u>
Retirement of treasury stock	<u>\$ 410,326</u>	<u>\$ -</u>
Cash paid during the period for acquisition of property, plant and equipment		
Fair value of property, plant and equipment acquired	\$ 6,519	\$ 22,510
Add payables for acquisitions of property, plant and equipment at beginning of period	4,906	28,619
Less payables for acquisitions of property, plant and equipment at end of period	<u>(3,407)</u>	<u>(10,327)</u>
Cash paid during the period for acquisitions of property, plant and equipment	<u>\$ 8,018</u>	<u>\$ 40,802</u>

(Concluded)