

Global Unichip Corporation
Balance Sheets
December 31, 2005 and 2004
(In Thousands of New Taiwan Dollars)

| | <u>2005</u> | <u>2004</u> |
|---|-------------------------|-------------------------|
| ASSETS | | |
| Cash and cash equivalents | 330,690 | 122,710 |
| Short term investments | 0 | 195,691 |
| Notes and accounts receivable | 321,457 | 190,114 |
| Inventories | 166,201 | 91,967 |
| Other current assets | 82,145 | 47,353 |
| Total current assets | <u>900,493</u> | <u>647,835</u> |
| Long term investments | <u>6,868</u> | <u>3,375</u> |
| Property, plant and equipment | 410,055 | 408,883 |
| Accumulated depreciation | (90,897) | (69,065) |
| Property, plant and equipment, net | <u>319,158</u> | <u>339,818</u> |
| Deferred charges | 184,791 | 146,461 |
| Other assets | 45,110 | 48,679 |
| Total Assets | <u>1,456,420</u> | <u>1,186,168</u> |
| LIABILITIES | | |
| Accounts payables | 180,890 | 118,221 |
| Accrued expenses and other current liabilities | 209,361 | 145,392 |
| Payables to contractors and equipment suppliers | 0 | 9,606 |
| Current portion of long term loans | 5,489 | 5,489 |
| Total current liabilities | <u>395,740</u> | <u>278,708</u> |
| Long term liabilities | 29,711 | 11,715 |
| Other liabilities | 12,549 | 11,845 |
| Total Liabilities | <u>438,000</u> | <u>302,268</u> |
| SHAREHOLDERS' EQUITY | | |
| Capital stock | 878,791 | 825,000 |
| Capital surplus | 29,981 | 28,660 |
| Retained earnings | 109,791 | 30,424 |
| - Legal reserve | 3,043 | 0 |
| - Previous years | 0 | 0 |
| - Current year | 106,748 | 30,424 |
| Cumulative translation adjustments | (143) | (184) |
| Total Equity | <u>1,018,420</u> | <u>883,900</u> |
| Total Liabilities & Shareholders' Equity | <u>1,456,420</u> | <u>1,186,168</u> |

Global Unichip Corporation
Statements of Income
For The Year Ended December 31, 2005 and 2004

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

| | 2005 | 2004 |
|-------------------------------------|-----------------------|----------------------|
| Net sales | <u>1,591,223</u> | <u>1,006,211</u> |
| Cost of sales | <u>(1,113,286)</u> | <u>(712,381)</u> |
| Gross profit | <u>477,937</u> | <u>293,830</u> |
| Operating expenses | | |
| Selling and marketing expenses | (64,057) | (37,525) |
| General and administrative expenses | (54,600) | (51,056) |
| Research and development expenses | (295,108) | (198,343) |
| Total operating expenses | <u>(413,765)</u> | <u>(286,924)</u> |
| Income from operations | 64,172 | 6,906 |
| Non-operating income and gains | 29,460 | 26,163 |
| Non-operating expense and losses | <u>(3,630)</u> | <u>(2,699)</u> |
| Income before income tax | 90,002 | 30,370 |
| Income tax benefits | <u>16,746</u> | <u>54</u> |
| Net income | <u><u>106,748</u></u> | <u><u>30,424</u></u> |
| Earnings per share(NT\$) | | |
| Basic earnings per share | <u>1.23</u> | <u>0.36</u> |
| Diluted earnings per share | <u><u>1.23</u></u> | <u><u>0.36</u></u> |

Global Unichip Corporation
Statements of Changes in Shareholders' Equity
For The Year Ended December 31, 2005 and 2004
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

| | <u>Capital Stock</u> | | <u>Capital Surplus</u> | <u>Retained Earnings</u> | | | <u>Cumulative Translation Adjustments</u> | <u>Total</u> |
|--|------------------------------|----------------|------------------------|--------------------------|--------------------------------|----------------|---|------------------|
| | <u>Shares (in Thousands)</u> | <u>Amount</u> | | <u>Legal Reserve</u> | <u>Unappropriated Earnings</u> | <u>Total</u> | | |
| Balance, January 1, 2004 | 82,500 | 825,000 | 116,170 | 101 | (87,611) | (87,510) | 0 | 853,660 |
| Capital surplus & legal reserve offset accumulated deficit | | | (87,510) | (101) | 87,611 | 87,510 | | 0 |
| Net income in 2004 | | | | | 30,424 | 30,424 | | 30,424 |
| Translation adjustments | | | | | | | (184) | (184) |
| Balance, December 31, 2004 | <u>82,500</u> | <u>825,000</u> | <u>28,660</u> | <u>0</u> | <u>30,424</u> | <u>30,424</u> | <u>(184)</u> | <u>883,900</u> |
| Balance, January 1, 2005 | 82,500 | 825,000 | 28,660 | 0 | 30,424 | 30,424 | (184) | 883,900 |
| Appropriations of prior year's earnings | | | | | | | | |
| Legal reserve | | | | 3,043 | (3,043) | 0 | | 0 |
| Stock dividends to shareholders - NTS\$0.28 per share | 2,410 | 24,095 | | | (24,095) | (24,095) | | 0 |
| Employees' profit sharing - in stock | 328 | 3,286 | | | (3,286) | (3,286) | | 0 |
| Issuance of stock from exercising stock options | 2,641 | 26,410 | 1,321 | | | | | 27,731 |
| Net income in 2005 | | | | | 106,748 | 106,748 | | 106,748 |
| Translation adjustments | | | | | | | 41 | 41 |
| Balance, December 31, 2005 | <u>87,879</u> | <u>878,791</u> | <u>29,981</u> | <u>3,043</u> | <u>106,748</u> | <u>109,791</u> | <u>(143)</u> | <u>1,018,420</u> |

Global Unichip Corporation
Statements of Cash Flows
For The Year Ended December 31, 2005 and 2004
(In Thousands of New Taiwan Dollars)

| | <u>2005</u> | <u>2004</u> |
|---|----------------|------------------|
| Cash flows from operating activities: | | |
| Net income | 106,748 | 30,424 |
| Depreciation | 38,295 | 35,931 |
| Amortization | 80,047 | 49,374 |
| Investment loss (gain) recognized by equity method | (521) | (215) |
| Fixed asset reclassified to other expense | 104 | 0 |
| Loss/(Gain) on property, plant, equipment | 0 | (3,606) |
| Deferred income tax | (16,746) | 0 |
| Changes in working capital & others | (137,351) | (24,925) |
| Accrued pension cost | 704 | 4,852 |
| Net cash provided by operating activities | <u>71,280</u> | <u>91,835</u> |
| Cash flows from investing activities: | | |
| Decrease/(Increase) in short-term investments | 195,691 | 115,394 |
| Increase in long-term investments | (2,931) | (3,344) |
| Acquisition of fixed assets | (26,740) | (288,690) |
| Proceeds from disposal of properties | 0 | 7,769 |
| Increase in deferred assets | (56,276) | (123,609) |
| Proceeds from disposal of deferred assets | 0 | 100 |
| Acquisition of assets leased to others | (589) | 0 |
| Decrease/(Increase) in other assets-restricted deposit | 5,750 | 2,000 |
| Decrease/(Increase) in refundable deposits | (447) | 364 |
| Net cash provided by (used in) investing activities | <u>114,458</u> | <u>(290,016)</u> |
| Cash flows from financing activities: | | |
| Increase/(Decrease) in long-term loans | (5,489) | (5,489) |
| Proceeds from exercise of employee stock options | 27,731 | 0 |
| Net cash provided by (used in) financing activities | <u>22,242</u> | <u>(5,489)</u> |
| Net increase (decrease) in cash and cash equivalents | 207,980 | (203,670) |
| Cash and cash equivalents at beginning of period | 122,710 | 326,380 |
| Cash and cash equivalents at end of period | <u>330,690</u> | <u>122,710</u> |