

**Global Unichip Corporation and Subsidiaries**  
**Balance Sheets**  
**June 30, 2006**

(In Thousands of New Taiwan Dollars)

	<b>2006</b>
<b>ASSETS</b>	
Cash and cash equivalents	251,071
Notes and accounts receivable	410,132
Inventories	286,555
Other current assets	51,706
Total current assets	999,464
Property, plant and equipment	441,739
Accumulated depreciation	(121,891)
Property, plant and equipment, net	319,848
Deferred charges	214,297
Other assets	45,207
<b>Total Assets</b>	<b>1,578,816</b>
<b>LIABILITIES</b>	
Accounts payables	279,391
Accrued expenses and other current liabilities	223,441
Payables to contractors and equipment suppliers	7,567
Current portion of long term loans	5,489
Total current liabilities	515,888
Long term liabilities	31,847
Other liabilities	11,192
<b>Total Liabilities</b>	<b>558,927</b>
<b>SHAREHOLDERS' EQUITY</b>	
Capital stock	885,081
Stock dividends to be distributed	58,885
Capital surplus	30,296
Retained earnings	45,810
-Legal reserve	13,717
-Previous years	773
-Current year	31,320
Cumulative translation adjustments	(183)
<b>Total Equity</b>	<b>1,019,889</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>1,578,816</b>

**Global Unichip Corporation and Subsidiaries**  
**Statements of Income**  
**For The Six Months Ended June 30, 2006**

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

	<b>2006</b>
Net sales	1,186,432
Cost of sales	(899,223)
Gross profit	287,209
Operating expenses	
Selling and marketing expenses	(53,362)
General and administrative expenses	(35,652)
Research and development expenses	(176,361)
Total operating expenses	(265,375)
Income from operations	21,834
Non-operating income and gains	16,619
Non-operating expense and losses	(6,951)
Income before income tax	31,502
Income tax expenses	(182)
Net income	31,320
Earnings per share(NT\$)	
Basic earnings per share	0.35
Diluted earnings per share	0.35

**Global Unichip Corporation and Subsidiaries**  
**Statements of Changes in Shareholders' Equity**  
**For The Six Months Ended June 30, 2006**

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

	<u>Capital Stock</u>		<u>Stock dividends to be distributed</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, 2006	87,879	878,791	0	29,981	3,043	106,748	109,791	(143)	1,018,420
Appropriations of prior year's earnings									
Legal reserve					10,674	(10,674)	0		0
Employees' profit sharing - in stock			11,430			(11,430)	(11,430)		0
Employees' profit sharing - in cash						(2,858)	(2,858)		(2,858)
Stock dividends to shareholders - NT\$0.54 per share			47,455			(47,455)	(47,455)		0
Cash dividends to shareholders - NT\$0.36 per share						(31,637)	(31,637)		(31,637)
Bonus to directors and supervisors						(1,921)	(1,921)		(1,921)
Net income for the six months ended June 30, 2006						31,320	31,320		31,320
Issuance of stock from exercising stock options	629	6,290		315					6,605
Translation adjustments								(40)	(40)
Balance, June 30, 2006	<u>88,508</u>	<u>885,081</u>	<u>58,885</u>	<u>30,296</u>	<u>13,717</u>	<u>32,093</u>	<u>45,810</u>	<u>(183)</u>	<u>1,019,889</u>

**Global Unichip Corporation and Subsidiaries**  
**Statements of Cash Flows**  
**For The Six Months Ended June 30, 2006**  
(In Thousands of New Taiwan Dollars)

	<b>2006</b>
<b>Cash flows from operating activities:</b>	
Net income	31,320
Depreciation	20,352
Amortization	42,749
Fixed asset reclassified to other expense	701
Changes in working capital & others	(110,515)
Accrued pension cost	(1,357)
Net cash used in operating activities	(16,750)
<b>Cash flows from investing activities:</b>	
Acquisition of fixed assets	(12,121)
Increase in deferred assets	(39,958)
Decrease/(Increase) in other assets-restricted deposit	(3,264)
Decrease/(Increase) in refundable deposits	(273)
Net cash used in investing activities	(55,616)
<b>Cash flows from financing activities:</b>	
Increase/(Decrease) in long-term loans	(2,745)
Increase/(Decrease) in other long-term payables	(17,135)
Proceeds from exercise of employee stock options	6,605
Net cash used in financing activities	(13,275)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(13)
<b>Net increase (decrease) in cash and cash equivalents</b>	(85,654)
<b>Cash and cash equivalents at beginning of period</b>	336,725
<b>Cash and cash equivalents at end of period</b>	251,071
<b>Supplemental disclosures of cash flow information</b>	
Cash paid for	
Income tax	182