

Gemtek Technology Co., Ltd.

Balance Sheet

March 31st of 2009 & 2008

(Reviewed but Un-audited)

Unit: NT\$ '000

Code	Assets	2009 Mar. 31st		2008 Mar. 31st		Code	Liabilities & Stockholders' Equity	2009 Mar. 31st		2008 Mar. 31st	
		Amount	%	Amount	%			Amount	%	Amount	%
	Current Assets						Current Liabilities				
1100	Cash & Cash Equivalents	\$ 3,299,148	23	\$ 1,950,380	16	2120	Notes Payable	\$ 60,144	-	\$ 96,405	1
1310	Assets Adjusted Fair Value	110,135	1	90,623	1	2140	Accounts Payable	4,093,251	28	3,341,101	28
1320	Marketable Securities	210,408	1	204,595	2	2160	Income Tax Payable	114,584	1	195,993	2
1120	Note Receivable (Net)	19,673	-	25,881	-	2170	Expense Payable	434,708	3	254,302	2
1140	Account Receivable (Net)	4,689,922	32	3,397,455	29	2260	Unearned receipts	368,789	2	-	-
1160	Other Receivables – Related Parties	-	-	79,909	1	2270	Long-term liabilities – current portion	518,580	4	696,207	6
1210	Inventory	1,326,713	9	1,932,109	16	2298	Other Current Liabilities	153,708	1	255,803	2
1298	Other Current Assets	140,445	1	233,147	2	21XX	Total Current Liabilities	5,743,764	39	4,839,811	41
11XX	Total Current Assets	9,796,444	67	7,914,099	67		Long-Term liabilities				
	Funds & Long-term Investments					2410	Bonds Payable	909,111	6	-	-
1430	Financial assets designated as at fair value through profit or loss	68,950	1	-	-	24XX	Total Long-term Liabilities	909,111	6	-	-
1450	Purchase of sellable financial assets (non-current)	31,095	-	-	-	28XX	Other Liabilities	187,086	2	130,566	1
1421	Long-term investment under equity method	664,598	5	678,759	6	2XXX	Total Liabilities	6,839,961	47	4,970,377	42
1480	Long-term investments under cost method	51,510	-	172,589	1		Stockholders' Equity				
14XX	Total Funds & long-term investments	816,153	6	851,348	7		Capital				
	Property, plant & Equipment					3110	Common Stock	2,582,435	18	2,411,851	20
	Cost					3140	Capital collected in advance	16,700	-	3,030	-
1501	Land	328,168	2	328,168	3	32XX	Capital Reserve	4,157,351	29	3,884,016	33
1521	Buildings	1,251,567	8	1,177,577	10		Retained Earnings				
1531	Machinery & Equipment	2,295,562	16	1,834,936	15	3310	Legal Reserve	456,159	3	355,322	3
1681	Other Equipment	679,633	5	557,492	5	3351	Un-appropriated Earnings	1,229,069	8	1,169,414	10
15X1	Total at Cost	4,554,930	31	3,898,173	33		Adjusting Items in stockholders' equity				
15X9	Less: Accumulated Depreciation	(1,342,875)	(9)	(994,567)	(8)	3420	Cumulative translation adjustments	353,150	2	30,894	-
1670	Add: Construction in progress & prepayments	665,911	4	5,279	-	3450	Financial Product pending gain/loss	(27,181)	-	3,945	-
15XX	Property, plant & Equipment Net	3,877,966	26	2,908,885	25	3510	Treasury Stock	(1,028,233)	(7)	(1,075,812)	(9)
							Total Owner Equity of Mother Company	7,739,450	53	6,782,660	57
18XX	Other Assets	159,390	1	187,527	1	3610	Minority Interest	70,542	-	108,822	1
1XXX	Total Assets	\$ 14,649,953	100	\$ 11,861,859	100	3XXX	Total Stockholders' Equity	7,809,992	53	6,891,482	58
							Total Liabilities & Stockholders' equity	\$ 14,649,953	100	\$ 11,861,859	100

Gemtek Technology Co., Ltd

Income Statement

For the quarter ended March 31 of 2009 and 2008

(Reviewed but Un-audited)

Code		Unit: NT\$'000, EPS in NT\$1			
		2009 1 st Quarter		2008 1 st Quarter	
		A m o u n t	%	A m o u n t	%
4000	Sales Revenue	\$ 4,677,242	100	\$ 4,222,353	100
5000	Operating Cost	(4,106,304)	(88)	(3,686,946)	(87)
5910	Gross Profit	570,938	12	535,407	13
5920	Unrealized profit between subsidiaries	(291)	-	-	-
5930	Realized profit between subsidiaries	1,795	-	-	-
	Realized gross profit	572,442	12	535,407	13
	Operating Expenses				
6100	Sales & marketing expense	(77,628)	(1)	(42,901)	(1)
6200	Administration Expense	(86,054)	(2)	(66,473)	(2)
6300	R&D Expense	(183,001)	(4)	(179,532)	(4)
6000	Sub Total	(346,683)	(7)	(288,726)	(7)
6900	Operating Income	225,759	5	246,681	6
	Non-Operating Income				
7110	Interest Revenue	3,811	-	8,275	-
7140	Gain on disposal of investments	34	-	45,775	1
7160	Foreign exchange gain	86,675	2	-	-
7320	Financial Liabilities appropriated Gain	6,942	-	-	-
7480	Other Income	10,988	-	4,723	-
7100	Sub Total	108,450	2	58,773	1
	Non-Operating Expenses				
7510	Interest expense	(12,448)	-	(8,492)	-
7521	Investment loss under Equity Method	(28,716)	-	(25,352)	(1)

(Continued Next Page)

(Continued)

Code		2009 1 st Quarter		2008 1 st Quarter	
		A m o u n t	%	A m o u n t	%
7530	Loss from Disposal of Fixed Assets	(\$ 1,667)	-	(\$ 2,143)	-
7560	Foreign exchange loss	-	-	(38,408)	(1)
7570	Loss for market price decline and obsolete and slow-moving inventories	-	-	(5,671)	-
7640	Financial Product appropriated loss	-	-	(6,773)	-
7880	Other Expenses	(201)	-	(36)	-
7500	Sub Total	(43,032)	-	(86,875)	(2)
7900	Net Profit Before Tax	291,177	6	(218,579)	5
8110	Tax gains (expense)	(83,558)	(2)	(39,356)	(1)
9600	Net Profit after Tax	<u>\$ 207,619</u>	<u>5</u>	<u>\$ 179,223</u>	<u>4</u>
	Attributed from:				
9601	Mother Company	\$ 209,044	5	\$ 154,246	4
9602	Minority Interest	(1,425)	-	24,977	-
		<u>\$ 207,619</u>	<u>5</u>	<u>\$ 179,223</u>	<u>4</u>
		<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>
	Consolidated Net Profit per Share				
9750	Base EPS	<u>\$ 1.11</u>	<u>\$ 0.88</u>	<u>\$ 0.89</u>	<u>\$ 0.71</u>
9850	Diluted EPS	<u>\$ 0.98</u>	<u>\$ 0.77</u>	<u>\$ 0.85</u>	<u>\$ 0.67</u>

Chairman: Chen, Hung Wen Executive: Chen Hung Wen Accounting Officer : C.H Lin

Gemtek Technology Co., Ltd
Statement of Cash Flows
Quarter ended March 31 of 2009
(Reviewed, but Un-Audited)

Unit: \$NT '000

	<u>2 0 0 9</u> 1 ^{s t} <u>Q u a r t e r</u>	<u>2 0 0 8</u> 1 ^{s t} <u>Q u a r t e r</u>
Cash flows from operating activities		
Net income	\$ 207,619	\$ 179,223
Depreciation	123,478	99,492
Loss for market price decline and obsolete and slow-moving inventories	-	5,671
Investment Gain under equity Method	28,716	25,352
Gains from Disposal of Inventory	-	(45,775)
Gains from Disposal of Fixed Assets	1,633	2,143
Amortization of CB payables allowances	12,448	8,491
Financial Product Appropriated Loss	(6,936)	6,383
Unrealized profit between subsidiaries	291	-
Realized profit between subsidiaries	(1,795)	-
Foreign Exchange Gain/Loss of Unrealized CB Payables	16,907	(53,848)
Deferred Income Tax Assets	55,012	29,582
Changes in assets & Liabilities		
Accounts Receivable	(363,748)	(36,482)
Other receivables – related parties	-	(23,022)
Inventory	72,360	(244,941)
Other current assets	229,114	(10,321)
Notes Payable	193,105	296,086
Expense Payable	(35,031)	9,510
Income Tax Payable	-	9,774
Other payables – related parties	-	-
Unearned receipts	204,030	-
Other current liabilities	(<u>172,914</u>)	(<u>68,162</u>)
Net cash from Operating Activities	<u>564,289</u>	<u>189,156</u>
Cash flows from investing activities		
Acuisitino of financial assets designated as at fair value through profit or loss	(70,000)	-
Purchase of sellable financial assets	(210,000)	-
Gain/Loss from disposal of sellable financial assets	-	90,000
Long-term investment under equity method	(69,750)	-

(Continued Next Page)

(Continued)

	<u>2 0 0 9</u> <u>1 s t</u> <u>Q u a r t e r</u>	<u>2 0 0 8</u> <u>1 s t</u> <u>Q u a r t e r</u>
Purchase of long-term investment	\$ -	(\$ 164,100)
Gain/Loss from disposal of long-term investment	-	47,730
Purchase of fixed assets	(131,302)	(68,006)
Sales of fixed assets	135	813
Other increase assets	<u>20,784</u>	<u>(22,202)</u>
Net Cash used in Investing activities	<u>(460,133)</u>	<u>(115,765)</u>
 Cash flows from financing activities		
New Issuance of Stock of Employees' option	1,650	9,726
Treasury Buyback	<u>-</u>	<u>(963,391)</u>
Cash flow in(out) from financing Activities	<u>1,650</u>	<u>(953,665)</u>
 Currency Influence	 (12,526)	 (7,639)
 Net decrease in cash and cash equivalents	 <u>93,280</u>	 (887,913)
 Cash & Cash equivalent at beginning of year	 <u>3,205,868</u>	 <u>2,838,293</u>
 Cash & Cash equivalent at end of year	 <u>\$ 3,299,148</u>	 <u>\$ 1,950,380</u>
 Investing & financing activities not affecting cash flows		
Bonds Conversion	<u>\$ 52,245</u>	<u>\$ -</u>
Payable Bonds due within one year	<u>\$ 518,580</u>	<u>\$ 696,207</u>