

ALPHA NETWORKS INC. AND SUBSIDIARIES
Consolidated Balance Sheet
September 30, 2010 and 2009
(in thousands of New Taiwan dollars)

Assets	2010/9/30		2009/9/30		Liabilities and Stockholders' Equity	2010/9/30		2009/9/30	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets :					Current liabilities :				
Cash and cash equivalents	\$ 2,272,062	13	\$ 4,634,744	33	Short-term borrowings	\$ 489,571	3	\$ 150,688	1
Financial assets at fair value through profit or loss - current	29,280	-	48,146	-	Accounts payable	5,416,575	32	3,586,550	27
Investments in debt security with no active market - current	-	-	34,690	-	Payable to related parties	77,000	-	57,485	-
Notes and accounts receivable, net	3,014,382	18	1,532,232	11	Income tax payable	100,903	1	125,995	1
Receivables from related parties	3,797,190	22	2,878,226	21	Accrued expenses	1,271,624	8	1,048,579	7
Other financial assets - current	80,130	-	7,870	-	Financial liabilities at fair value through profit or loss - current	137	-	1,449	-
Inventories	4,134,810	24	1,907,098	14	Bonds payable - current portion	245,503	1	-	-
Deferred income tax assets - current	60,826	-	93,279	1	Other current liabilities	227,435	1	183,458	1
Other current assets	121,690	2	60,587	-		7,828,748	46	5,154,204	37
	13,510,370	79	11,196,872	80	Long-term liabilities :				
Funds and investments :					Bonds payable	-	-	376,327	3
Other financial assets - noncurrent	46,651	-	39,481	-	Other liabilities :				
Available-for-sale financial assets - noncurrent	336,527	2	280,850	2	Accrued pension liabilities	124,771	1	122,902	1
Financial assets carried at cost - noncurrent	9,996	-	9,996	-	Deferred income tax liabilities - noncurrent	46,555	-	51,413	-
	393,174	2	330,327	2	Miscellaneous liabilities - other	380	-	67	-
						171,706	1	174,382	1
Property, plant and equipment :					Total liabilities	8,000,454	47	5,704,913	41
Land	104,614	-	-	-					
Buildings and improvements	1,977,473	12	1,634,988	12	Stockholders' equity :				
Machinery and equipment	1,574,572	9	1,480,058	11	Common stock	4,709,557	28	4,641,195	32
Transportation, office and other equipment	257,276	2	259,522	1	Advance receipts for common stock	1,997	-	840	-
	3,913,935	23	3,374,568	24		4,711,554	28	4,642,035	32
Less: accumulated depreciation	1,714,952	10	1,469,984	10	Capital surplus	1,710,845	10	1,625,627	12
Prepayment for equipment and construction in progress	435,111	3	296,188	2	Retained earnings :				
	2,634,094	16	2,200,772	16	Legal reserve	599,696	4	516,800	4
Intangible assets					Special reserve	-	-	42,504	-
Goodwill	140,913	1	140,913	1	Unappropriated earnings	2,028,725	12	1,543,568	11
Core technologies	11,513	-	23,026	-		2,628,421	16	2,102,872	15
Land use right	113,365	1	61,961	-	Cumulative foreign currency translation adjustment	129,792	1	137,964	1
	265,791	2	225,900	1	Unrealized gain or loss on available-for-sale financial assets	(95,979)	(1)	(151,656)	(1)
Other assets :					Treasury stock	(154,971)	(1)	(28,962)	-
Deferred expenses	105,739	1	85,514	1	Minority interes	3,677	-	6,592	-
Deferred income tax assets - noncurrent	24,625	-	-	-	Total stockholders' equity	8,933,339	53	8,334,472	59
	130,364	1	85,514	1	Commitments and contingencies				
Total assets	\$ 16,933,793	100	14,039,385	100	Total liabilities and stockholders' equity	\$ 16,933,793	100	14,039,385	100

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Income

Years ended September 30, 2010 and 2009

(in thousands of New Taiwan dollars, except for net income per common share)

	2010		2009	
	Amount	%	Amount	%
Sales revenue	\$ 19,506,094	100	\$ 12,394,383	100
Cost of goods sold	16,453,070	84	9,971,067	80
Gross Profit	3,053,024	16	2,423,316	20
Operating expenses :				
Selling	349,831	2	382,318	3
General and administrative	470,695	2	333,016	3
Research and development	1,359,197	7	1,232,110	10
	2,179,723	11	1,947,444	16
Operating income	873,301	5	475,872	4
Non-operating income and gains:				
Interest income	14,466	-	21,882	-
Reversal of impairment loss	31,875	-	-	-
Dividend income	9,854	-	4,322	-
Foreign currency exchange gain, net	-	-	92,573	1
Gain on valuation of financial assets	77,293	1	89,467	1
Other income, net	70,576	-	-	-
	204,064	1	208,244	2
Non-operating expense and loss:				
Interest expenses	20,780	-	24,916	-
Foreign currency exchange loss, net	117,688	1	-	-
Other loss, net	-	-	56,232	1
	138,468	1	81,148	1
Income before income taxes	938,897	5	602,968	5
Income tax expenses	128,989	1	91,302	1
Net income	\$ 809,908	4	\$ 511,666	4
Attributable to:				
Equity holders of the parent company	812,280	4	512,972	4
Minority interest	(2,372)	-	(1,306)	-
	\$ 809,908	4	\$ 511,666	4

Earing per share(in New Taiwan dollars)	Before taxes	After taxes	Before taxes	After taxes
Basic earnings per share	\$ 2.02	1.74	1.32	1.12
Diluted earnings per share	\$ 1.95	1.68	1.27	1.08