

SEQ_NO	4	Date of announcement	2007/08/28	Time of announcement	18:39:25																																																																																																																																
Subject	IAC Board approved the Company's financial results for 1H2007 (audited by CPA)																																																																																																																																				
Date of events	2007/08/28	To which item it meets	article 2 paragraph 48																																																																																																																																		
Statement	<p>1.Date of occurrence of the event:2007/08/28 2.Company name:Inventec Appliances Corp. 3.Relationship to the Company (please enter "head office" or "affiliate company"):Head office 4.Reciprocal shareholding ratios:N/A 5.Cause of occurrence:N/A 6.Countermeasures:N/A 7.Any other matters that need to be specified: 1H2007 & 1H2006 financial results on unconsolidated basis (audited): (NT\$ thousand, otherwise stated)</p> <table border="1"> <thead> <tr> <th></th> <th>1H2007</th> <th>1H2006</th> <th>YoY</th> </tr> </thead> <tbody> <tr> <td>Net Sales</td> <td>31,486,675</td> <td>43,000,185</td> <td>-26.8%</td> </tr> <tr> <td>COGS</td> <td>(30,058,207)</td> <td>(40,946,245)</td> <td>-26.6%</td> </tr> <tr> <td>Gross profits</td> <td>1,428,468</td> <td>2,053,940</td> <td>-30.5%</td> </tr> <tr> <td>Less: Unrealised inter company profits</td> <td>(170,557)</td> <td>(143,463)</td> <td>18.9%</td> </tr> <tr> <td>Add: Realised inter company profits</td> <td>138,441</td> <td>111,582</td> <td>24.1%</td> </tr> <tr> <td>Operating expenses</td> <td>(1,097,388)</td> <td>(1,330,182)</td> <td>-17.5%</td> </tr> <tr> <td>Operating profits</td> <td>298,964</td> <td>691,877</td> <td>-56.8%</td> </tr> <tr> <td>Non-Op profits</td> <td>1,562,835</td> <td>900,996</td> <td>73.5%</td> </tr> <tr> <td>Non-Op expenses</td> <td>(58,609)</td> <td>(107,010)</td> <td>-45.2%</td> </tr> <tr> <td>Pre-tax profits</td> <td>1,803,190</td> <td>1,485,863</td> <td>21.4%</td> </tr> <tr> <td>Income tax</td> <td>(222,164)</td> <td>(242,284)</td> <td>-8.3%</td> </tr> <tr> <td>After-tax profits</td> <td>1,581,026</td> <td>1,243,579</td> <td>27.1%</td> </tr> <tr> <td>Pre-tax profit per share (after retroactive adjustments)</td> <td>NT\$3.91</td> <td>NT\$3.22</td> <td>21.4%</td> </tr> <tr> <td>After-tax profit per share (after retroactive adjustments)</td> <td>NT\$3.42</td> <td>NT\$2.69</td> <td>27.1%</td> </tr> <tr> <td>Gross margin</td> <td>5%</td> <td>5%</td> <td></td> </tr> <tr> <td>Operating margin</td> <td>1%</td> <td>2%</td> <td></td> </tr> <tr> <td>Net margin</td> <td>5%</td> <td>3%</td> <td></td> </tr> </tbody> </table> <p>1H2007 & 1H2006 financial results on consolidated basis (audited): (NT\$ thousand, otherwise stated)</p> <table border="1"> <thead> <tr> <th></th> <th>1H2007</th> <th>1H2006</th> <th>YoY</th> </tr> </thead> <tbody> <tr> <td>Net Sales</td> <td>39,612,998</td> <td>48,362,690</td> <td>-18.1%</td> </tr> <tr> <td>COGS</td> <td>(35,277,316)</td> <td>(44,554,805)</td> <td>-20.8%</td> </tr> <tr> <td>Gross profits</td> <td>4,335,682</td> <td>3,807,885</td> <td>13.9%</td> </tr> <tr> <td>Operating expenses</td> <td>(2,389,938)</td> <td>(2,607,693)</td> <td>-8.4%</td> </tr> <tr> <td>Operating profits</td> <td>1,945,744</td> <td>1,200,192</td> <td>62.1%</td> </tr> <tr> <td>Non-Op profits</td> <td>296,215</td> <td>765,563</td> <td>-61.3%</td> </tr> <tr> <td>Non-Op expenses</td> <td>(305,787)</td> <td>(459,529)</td> <td>-33.5%</td> </tr> <tr> <td>Pre-tax profits</td> <td>1,936,172</td> <td>1,506,226</td> <td>28.5%</td> </tr> <tr> <td>Income tax</td> <td>(355,146)</td> <td>(273,497)</td> <td>29.9%</td> </tr> <tr> <td>Net profits before minority interest</td> <td>1,581,026</td> <td>1,232,729</td> <td>28.3%</td> </tr> <tr> <td>Net profits for minority interest</td> <td>0</td> <td>(10,850)</td> <td>-100.0%</td> </tr> <tr> <td>Net profits</td> <td>1,581,026</td> <td>1,243,579</td> <td>27.1%</td> </tr> <tr> <td>Pre-tax profit per share (after retroactive adjustments)</td> <td>NT\$3.91</td> <td>NT\$3.22</td> <td>21.4%</td> </tr> </tbody> </table>						1H2007	1H2006	YoY	Net Sales	31,486,675	43,000,185	-26.8%	COGS	(30,058,207)	(40,946,245)	-26.6%	Gross profits	1,428,468	2,053,940	-30.5%	Less: Unrealised inter company profits	(170,557)	(143,463)	18.9%	Add: Realised inter company profits	138,441	111,582	24.1%	Operating expenses	(1,097,388)	(1,330,182)	-17.5%	Operating profits	298,964	691,877	-56.8%	Non-Op profits	1,562,835	900,996	73.5%	Non-Op expenses	(58,609)	(107,010)	-45.2%	Pre-tax profits	1,803,190	1,485,863	21.4%	Income tax	(222,164)	(242,284)	-8.3%	After-tax profits	1,581,026	1,243,579	27.1%	Pre-tax profit per share (after retroactive adjustments)	NT\$3.91	NT\$3.22	21.4%	After-tax profit per share (after retroactive adjustments)	NT\$3.42	NT\$2.69	27.1%	Gross margin	5%	5%		Operating margin	1%	2%		Net margin	5%	3%			1H2007	1H2006	YoY	Net Sales	39,612,998	48,362,690	-18.1%	COGS	(35,277,316)	(44,554,805)	-20.8%	Gross profits	4,335,682	3,807,885	13.9%	Operating expenses	(2,389,938)	(2,607,693)	-8.4%	Operating profits	1,945,744	1,200,192	62.1%	Non-Op profits	296,215	765,563	-61.3%	Non-Op expenses	(305,787)	(459,529)	-33.5%	Pre-tax profits	1,936,172	1,506,226	28.5%	Income tax	(355,146)	(273,497)	29.9%	Net profits before minority interest	1,581,026	1,232,729	28.3%	Net profits for minority interest	0	(10,850)	-100.0%	Net profits	1,581,026	1,243,579	27.1%	Pre-tax profit per share (after retroactive adjustments)	NT\$3.91	NT\$3.22	21.4%
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Gross margin	11%	8%	
Operating margin	5%	2%	
Net margin	4%	2%	