

Provided by: Inventec Appliances Corp

SEQ_NO	2	Date of announcement	2008/08/26	Time of announcement	14:27:17																																																												
Subject	Inventec Appliances Reported 1H08 Financial Report																																																																
Date of events	2008/08/26	To which item it meets	article 2 paragraph 49																																																														
Statement	<p>1.Date of occurrence of the event:2008/08/26</p> <p>2.Company name:Inventec Appliances Corp.</p> <p>3.Relationship to the Company (please enter " head office" or " affiliate company"):Head office</p> <p>4.Reciprocal shareholding ratios:N.A.</p> <p>5.Cause of occurrence:N.A.</p> <p>6.Countermeasures:N.A.</p> <p>7.Any other matters that need to be specified:</p> <p>1H2008 & 1H2007 financial results on unconsolidated basis (audited): (NT\$ thousand ,otherwise stated)</p> <table border="1"> <thead> <tr> <th></th> <th>1H2008</th> <th>1H2007</th> <th>YoY</th> </tr> </thead> <tbody> <tr> <td>Net Sales</td> <td>34,856,173</td> <td>31,486,675</td> <td>+10.7%</td> </tr> <tr> <td>COGS</td> <td>(32,480,980)</td> <td>(30,058,207)</td> <td>+8.1%</td> </tr> <tr> <td>Gross profits</td> <td>2,375,193</td> <td>1,428,468</td> <td>+66.3%</td> </tr> <tr> <td>Less: Unrealised inter company profits</td> <td>(118,361)</td> <td>(170,557)</td> <td>-30.6%</td> </tr> <tr> <td>Add: Realised inter company profits</td> <td>36,095</td> <td>138,441</td> <td>-73.9%</td> </tr> <tr> <td>Operating expenses</td> <td>(1,478,443)</td> <td>(1,097,388)</td> <td>+34.7%</td> </tr> <tr> <td>Operating profits</td> <td>814,484</td> <td>298,964</td> <td>+172.4%</td> </tr> <tr> <td>Non-Op profits</td> <td>1,024,255</td> <td>1,558,655</td> <td>-34.3%</td> </tr> <tr> <td>Non-Op expenses</td> <td>(352,627)</td> <td>(54,429)</td> <td>+547.9%</td> </tr> <tr> <td>Pre-tax profits</td> <td>1,486,112</td> <td>1,803,190</td> <td>-17.6%</td> </tr> <tr> <td>Income tax</td> <td>(66,193)</td> <td>(222,164)</td> <td>-70.2%</td> </tr> <tr> <td>After-tax profits</td> <td>1,419,919</td> <td>1,581,026</td> <td>-10.2%</td> </tr> <tr> <td>Pre-tax profit per share (after retroactive adjustments)</td> <td>NT\$2.90</td> <td>NT\$3.52</td> <td>-17.6%</td> </tr> <tr> <td>After-tax profit per share (after retroactive adjustments)</td> <td>NT\$2.77</td> <td>NT\$3.09</td> <td>-10.4%</td> </tr> </tbody> </table>						1H2008	1H2007	YoY	Net Sales	34,856,173	31,486,675	+10.7%	COGS	(32,480,980)	(30,058,207)	+8.1%	Gross profits	2,375,193	1,428,468	+66.3%	Less: Unrealised inter company profits	(118,361)	(170,557)	-30.6%	Add: Realised inter company profits	36,095	138,441	-73.9%	Operating expenses	(1,478,443)	(1,097,388)	+34.7%	Operating profits	814,484	298,964	+172.4%	Non-Op profits	1,024,255	1,558,655	-34.3%	Non-Op expenses	(352,627)	(54,429)	+547.9%	Pre-tax profits	1,486,112	1,803,190	-17.6%	Income tax	(66,193)	(222,164)	-70.2%	After-tax profits	1,419,919	1,581,026	-10.2%	Pre-tax profit per share (after retroactive adjustments)	NT\$2.90	NT\$3.52	-17.6%	After-tax profit per share (after retroactive adjustments)	NT\$2.77	NT\$3.09	-10.4%
	1H2008	1H2007	YoY																																																														
Net Sales	34,856,173	31,486,675	+10.7%																																																														
COGS	(32,480,980)	(30,058,207)	+8.1%																																																														
Gross profits	2,375,193	1,428,468	+66.3%																																																														
Less: Unrealised inter company profits	(118,361)	(170,557)	-30.6%																																																														
Add: Realised inter company profits	36,095	138,441	-73.9%																																																														
Operating expenses	(1,478,443)	(1,097,388)	+34.7%																																																														
Operating profits	814,484	298,964	+172.4%																																																														
Non-Op profits	1,024,255	1,558,655	-34.3%																																																														
Non-Op expenses	(352,627)	(54,429)	+547.9%																																																														
Pre-tax profits	1,486,112	1,803,190	-17.6%																																																														
Income tax	(66,193)	(222,164)	-70.2%																																																														
After-tax profits	1,419,919	1,581,026	-10.2%																																																														
Pre-tax profit per share (after retroactive adjustments)	NT\$2.90	NT\$3.52	-17.6%																																																														
After-tax profit per share (after retroactive adjustments)	NT\$2.77	NT\$3.09	-10.4%																																																														

Gross margin	7%	5%
Operating margin	2%	1%
Net margin	4%	5%

1H2008 & 1H2007 financial results on consolidated basis (audited):

(NT\$ thousand,

otherwise stated)

	1H2008	1H2007	YoY
Net Sales	39,056,954	39,612,998	-1.4%
COGS	(34,614,983)	(35,277,316)	-1.9%
Gross profits	4,441,971	4,335,682	+2.5%
Operating expenses	(2,968,962)	(2,389,938)	+24.2%
Operating profits	1,473,009	1,945,744	-24.3%
Non-Op profits	416,374	592,430	+40.6%
Non-Op expenses	(495,119)	(305,787)	+61.9%
Pre-tax profits	1,394,264	1,936,172	-28.0%
Income tax	25,655	(355,146)	N.A.
Net profits before minority interest	1,419,919	1,581,026	-10.2%
Net profits for minority interest	0	0	N.A.
Net profits	1,419,919	1,581,026	-10.2%
Pre-tax profit per share (after retroactive adjustments)	NT\$2.90	NT\$3.52	-17.6%
After-tax profit per share (after retroactive adjustments)	NT\$2.77	NT\$3.09	-10.4%
Gross margin	11%	11%	
Operating margin	4%	5%	
Net margin	4%	4%	