GLORIA MATERIAL TECHNOLOGY CO., LTD. STATEMENTS OF INCOME

For the Nine Months Ended September 30, 2008 and 2007 (In Thousands of New Taiwan Dollars,Except Earnings Per Share) (Reviewed,Not Audited)

	2008		2007	
	Amounts	%	Amounts	%
GROSS SALES	\$ 8,356,293	100	\$ 7,558,245	100
Less: sales return	(31,251)	-	(5,702)	-
Less: sales allowance	(17,757)	-	(11,630)	-
NET SALES	8,307,285	100	7,540,913	100
COST OF GOODS SOLD	(6,957,083)	(84)	(5,959,233)	(79)
GROSS PROFIT	1,350,202	16	1,581,680	21
Unrealized profit form intercompany transactions	(77,050)	(1)	(69,940)	(1)
Realized profit form intercompany transactions	65,052	1	45,882	1
REALIZED GROSS PROFIT	1,338,204	16	1,557,622	21
OPERATING EXPENSES				
Selling	(287,739)	(4)	(256,470)	(3)
General and administrative	(116,391)	(1)	(130,149)	(2)
Research and development	(84,300)	(1)	(56,524)	(1)
Total operating expenses	(488,430)	(6)	(443,143)	(6)
OPERATING INCOME	849,774	10	1,114,479	15
NON-OPERATING INCOME AND GAIN				
Interest income	1,031	-	1,763	-
Investment income recognized under equity method,net	43,303	1	293,167	4
Gain on disposal of property	2,212	-	850	-
Gain on disposal of investments	43	-	34	-
Exchange gain,net	4,865	-	15,119	-
Gain on valuation of financial asset-net	1,181	-	63,035	1
Other income	37,788	-	31,266	-
Total non-operating income and gain	90,423	1	405,234	5
NON-OPERATING EXPENSES AND LOSSES				
Interest expense	(106,858)	(1)	(104,700)	(1)
Loss on disposal of assets	(1,310)	-	(1,316)	-
Loss on physical inventory,net	(2,609)	-	(1,464)	-
Loss for market price decline and obsolete and slow-moving inventories	(5,391)	-	-	-
Loss on valuation of financial liability,net	(80,783)	(1)	-	-
Other expenses	(26,572)	-	(41,495)	(1)
Total non-operating expenses and losses	(223,523)	(2)	(148,975)	(2)
INCOME BEFORE INCOME TAX	716,674	9	1,370,738	18
INCOME TAX EXPENSE	(175,763)	(2)	(227,249)	(3)
NET INCOME	\$ 540,911	7	\$ 1,143,489	15
	2008		2007	
	Before	After	Before	After
	Income	Income	Income	Income
	Tax	Tax	Tax	Tax
EARNINGS PER SHARE				
Basic earnings per share	\$ 2.39	\$ 1.81	\$ 4.63	\$ 3.87
Diluted earnings per share	\$ 2.14	\$ 1.64	\$ 4.39	\$ 3.67

The accompanying notes are an integral part of the financial statements.