

Seven. Financial Position and Review in Operation, Analysis and Risk Management

I. Financial Position

Analysis on financial positions

Unit: NTD1,000

Subject \ Year	2007	2006	Change	
			Amount	%
Current assets	12,290,413	11,915,495	374,918	3.15
Fixed Assets	2,381,068	2,660,349	(279,282)	(10.50)
Other assets	531,555	649,349	(117,794)	(18.14)
Total assets	26,952,797	27,185,213	(232,416)	(0.85)
Current liabilities	7,266,459	5,908,286	1,358,173	22.99
Other liabilities	175,568	280,071	(104,503)	(37.31)
Total liabilities	7,442,027	8,549,891	(1,107,864)	(12.96)
Equity	6,727,255	6,714,719	12,536	0.19
Capital surplus	5,597,825	5,584,488	13,337	0.24
Retained earnings	6,976,856	6,114,537	862,319	14.10
Total shareholder's Equity	19,510,770	18,635,322	875,488	4.70

Significant Changes and Analysis:

1. Other assets:

Mainly due to a transfer of restricted assets from assets classified as non-current in 2006 into assets classified as current in 2007 in accordance with years of restriction

2. Current liabilities:

In order to cover the needs for repurchase requests that creditors of corporate bonds may ask the Company to repurchase the bonds they hold on two years from the issue date, bonds payable is transferred to current liabilities.

3. Other liabilities:

Mainly due to a decrease in unrealized gross profit in 2007 in accordance with the evaluation on real sales of each subsidiary

The aforementioned changes did not significantly affect the Company