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TATUNG announced its 2008 financial results on April 30th, 2009.

Unit: NT\$ Thousand	2008	Margin (%)	2007	Margin (%)	YOY (%)
Revenues	37,276,265		43,072,137		-13.46%
Gross Profit	3,060,013	8.21%	2,443,373	5.67%	*2.54%
Operating Income	(1,930,277)	-5.18%	(1,950,599)	-4.53%	*-0.65%
Net Non-Operating Income	(4,869,026)		5,564,396		-187.50%
Net Income	(6,855,073)	-18.39%	3,576,628	8.30%	*-26.69%
EPS (NT\$)	(1.53)		0.81		

*Note: the changes (%) in gross margin, operating margin and net margin

Revenue in 2008 reached NT\$37,276 million or 13.46% lower than that of the same period in 2007. However, gross profit improved 25.24% to NT\$3,060 million from NT\$2,443 million, or gross margin rose from 5.67% to 8.21% of the same period a year earlier. Operating loss reduced 1.04% to NT\$1,930 million. Net loss was NT\$6,855 million. Earnings per share was -NT\$1.53.

The digital consumer business, mainly shipments of LCD TV and monitors, contributed about 45.54% revenue in 2008, down from 52.74% in Dec. 2007. Digital Consumer business revenue declined to NT\$16,976 million or was down by 25.28% as the same period 2007, yet gross margin improved dramatically by 1.99%, boosted by cutting off losing projects and effective material cost control. However, due to the worldwide financial crisis and subsequent economic recessions, sales reached the year-end low in the 3rd quarter. Though revenue in the 4th quarter still under-performed compared to the same period last year, sales soared by 27.48% QoQ because of the inventory digestion at customer side as well as the traditional peak season. Further sales and profit improvements may be expected with the new product launch and new channel developments in the 2nd half of 2009.

Home Appliances, Industrial Appliances and Wire & Cable accounted for 11.87%, 21.89% and 19.42% of revenues respectively. Sales decline in home appliance were influenced by the capacity movement and delayed mass production schedule, coupled with transfer of compressor business to oversea factory. However, with the expansion of mass production scale and improving yield rate, revenue and gross margin recovered quarter by quarter. As for Industrial Appliance, the average prices increased in industrial market this year. In addition, infrastructure demands are less impacted by consumer market. Meanwhile, new orders were received in the 2nd half of 2008. The percentage of revenues rose accordingly. Wire and Cable was pressured by the fluctuations of copper prices, leading to sales decrease by 39.13% QoQ in the 4th quarter. However, profit margin still improved by the adequate adjustment in product mix.

As a result of the margin improvement in Digital Consumer business and continuous progress in operating performance from other business units, gross profit increased NT\$ 617 million and gross margin reached 8.21% in 2008. To conservatively manage operation risks in uncertain global economy, rigorous bad debt reserve policy and inventory management were implemented, leading to the fact that operating losses recorded NT\$1,930 million in 2008. However, excluding this one time losses, operating losses was NT\$609 million, down by 68.79% from the same period last year.

Non-operating loss was reported NT\$4,869 million, which were primarily composed by the equity-accounted investment loss and interest expense totaled NT\$3,229 million and NT\$1,099 million respectively. The operating and profitability of investment companies improved in the 1st half of 2008. However, due to the economy turnaround from the beginning of 2H 2008, panel industry was the first to be influenced. Thus Chunghwa Picture Tube (“CPT”) was affected, which resulted in the recognition in investment loss of NT\$ 3,595 million. Investment profit of NT\$909 million was recognized from Shan Chih Semiconductor Corp. (“SCSC”), owing to its steadily-grown core business and generous investment profits from Green Energy Technology. Shan Chih Asset Development (“SCAD”) launched its third project “TATUNG Tomorrow Land” in Nankang of Taipei city in 2008, which was kicked off the construction in late July, 2008. Revenue in that project will be recognized on the completion rate basis. TATUNG Consumer Products Corp. (“TCPC”) completed its periodical expansion plan and will devote unremitting efforts to improve operating performance.

Revenue in 4Q 2008 reached NT\$9,309 million or 4.78% higher than that of the previous quarter. Sales breakdown are: Digital Consumer business 48.57%, Home Appliances 9.47%, Industrial Appliances 23.61% and Wire and Cable 13.42%. Though digital consumer business was distressed by the global economy slowdown, sales reached the year-end low point in the 3rd quarter and climbed by 27.48% QoQ in 4Q, due to the traditional peak season and reasonable inventory level in channel sides. Because of the revenue reduction in such seasonal products as air conditioners and electronic fans, sales in Home Appliance declined by 18.04% QoQ. Revenue in Industrial Appliance was about the same level as the 3rd quarter. However, Wire and Cable was pressured by the copper prices cut by more than 50%, leading to sales decrease by 39.13% QoQ in the 4th quarter. Gross margins in the 4th quarter rose to 8.96%, which was advanced by 3.77% from 5.19% of the same period last year. Operating loss was to NT\$1,115 million. Net non-operating loss was NT\$6,141 million, resulting from the investment loss recognition of equity-accounted investments of NT\$4,671 million. Net loss was NT\$7,270 million. Earnings per share was -NT\$1.62.

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