

Powerchip Semiconductor Corporation

**Financial Statements for the Six Months Ended
30th June, 2000 and 1999**

Together with Independent Auditors' Report

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

The Board of Directors and Stockholders
Powerchip Semiconductor Corporation

We have audited the accompanying non-consolidated balance sheets of Powerchip Semiconductor Corporation as of 30th June, 2000 and 1999, and the related statements of income, changes in stockholders' equity and cash flows for the six months then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Powerchip Semiconductor Corporation as of 30th June, 2000 and 1999, and the results of its operations and its cash flows for the six months then ended in conformity with the regulations governing the preparation of financial statements of public companies and accounting principles generally accepted in the Republic of China.

T N Soong & Co
A Member Firm of Andersen Worldwide, S.C.
Taipei, Taiwan, ROC
1st August, 2000

Notice to Readers

The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

English Translation of Financial Statements Originally Issued in Chinese

POWERCHIP SEMICONDUCTOR CORPORATION

NON-CONSOLIDATED BALANCE SHEETS

30th June, 2000 and 1999

(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	As of 30th June				LIABILITIES AND STOCKHOLDERS' EQUITY	As of 30th June			
	2000		1999			2000		1999	
	Amount	%	Amount	%	Amount	%	Amount	%	
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Notes 2 and 3)	\$ 5,658,824	13	\$ 3,533,652	11	Short-term bank borrowings (Note 9)	\$ -	-	\$ 695,993	2
Short-term investments (Notes 2 and 4)	249,287	1	287,513	1	Short-term bills payable (Note 10)	177,074	-	245,923	1
Receivable					Accounts payable (Note 15)				
Accounts (Notes 2 and 15)					Related parties	159,601	-	116,723	-
Related parties - net of allowance for doubtful accounts and sales allowances of \$44 in 2000 and \$22 in 1999	483,779	1	1,432,598	4	Nonrelated parties	628,780	2	438,036	1
Third parties - net of allowance for doubtful accounts of \$50,721 in 2000 and \$58,740 in 1999	1,409,636	3	527,222	2	Accrued expenses	528,373	1	322,652	1
Other	247,192	-	108,957	-	Payable on equipment (Note 15)				
Inventories (Notes 2, 5 and 15)	2,048,692	5	967,011	3	Related parties	464,160	1	140,456	-
Prepaid expense	116,251	-	121,689	1	Nonrelated parties	3,839,928	9	518,581	2
Deferred income tax (Notes 2 and 14)	710,960	2	91,037	-	Current portion of long-term bank loans (Notes 11 and 16)	4,312,960	10	3,901,251	12
Pledged time deposits (Note 16)	261,339	1	28,634	-	Other	18,380	-	4,802	-
Other current assets (Notes 2 and 18)	48,998	-	8,337	-	Total Current Liabilities	10,129,256	23	6,384,417	19
Total Current Assets	11,234,958	26	7,106,650	22	LONG-TERM BANK LOANS (Notes 11 and 16)	3,472,427	8	7,370,390	23
LONG-TERM STOCK INVESTMENTS (Notes 2, 6 and 15)	1,979,074	4	954,683	3	OTHER LIABILITIES (Notes 2 and 12)	20,005	-	19,177	-
PROPERTIES (Notes 2, 7, 15 and 16)					Total Liabilities	13,621,688	31	13,773,984	42
Cost					STOCKHOLDERS' EQUITY (Note 13)				
Buildings	2,786,126	7	2,737,153	9	Capital stock - \$10 par value				
Machinery and equipment	21,389,092	49	18,737,220	58	Authorized - 2,500,000 thousand shares in 2000; 1,700,000 thousand shares in 1999				
Research and development equipment	54,249	-	21,778	-	Issued and outstanding - 1,701,000 thousand shares in 2000 and 1,401,000 thousand shares in 1999	17,010,000	39	14,010,000	43
Facility equipment	4,844,659	11	4,247,804	13	Stock dividend to be distributed - 199,321 thousand shares	1,993,210	5	-	-
Transportation equipment	7,405	-	8,387	-	Capital surplus (Note 2)				
Office equipment	92,541	-	90,660	-	Paid-in capital in excess of par value	10,041,760	23	9,368,000	29
Miscellaneous equipment	97,922	-	86,999	-	Gain on disposition of properties	224	-	113	-
	29,271,994	67	25,930,001	80	Retained earnings (deficit)	736,157	2	(4,673,615)	(14)
Accumulated depreciation	(13,160,251)	(30)	(8,873,681)	(28)	Total Stockholders' Equity	29,781,351	69	18,704,498	58
	16,111,743	37	17,056,320	52					
Construction in progress	78,466	-	28,691	-					
Advances related to acquisitions of equipment	7,662,564	18	1,230,059	4					
Net Properties	23,852,773	55	18,315,070	56					
OTHER ASSETS									
Refundable deposits	18,295	-	10,199	-					
Organization costs (Note 2)	27,275	-	49,094	-					
Deferred charges - net (Notes 2, 8 and 15)	4,076,194	9	4,121,307	13					
Deferred income tax (Notes 2 and 14)	1,704,542	4	1,777,269	6					
Land (Note 16)	311,510	1	-	-					
Spare parts (Note 15)	198,418	1	144,210	-					
Total Other Assets	6,336,234	15	6,102,079	19					
TOTAL ASSETS	\$43,403,039	100	\$32,478,482	100	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$43,403,039	100	\$32,478,482	100

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

English Translation of Financial Statements Originally Issued in Chinese

POWERCHIP SEMICONDUCTOR CORPORATION

NON-CONSOLIDATED STATEMENTS OF INCOME

For the Six Months Ended 30th June, 2000 and 1999

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Six Months Ended 30th June			
	2000		1999	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
GROSS SALES	\$5,767,140	100	\$5,290,268	100
SALES RETURNS AND ALLOWANCES	<u>26,786</u>	<u>-</u>	<u>19,088</u>	<u>-</u>
NET SALES (Notes 2 and 15)	5,740,354	100	5,271,180	100
COST OF GOODS SOLD (Note 15)	<u>4,823,673</u>	<u>84</u>	<u>4,091,690</u>	<u>78</u>
GROSS PROFIT	<u>916,681</u>	<u>16</u>	<u>1,179,490</u>	<u>22</u>
OPERATING EXPENSES				
Selling	16,175	-	67,718	1
General and administrative	241,628	4	176,938	4
Research and development	<u>712,952</u>	<u>13</u>	<u>639,282</u>	<u>12</u>
Total Operating Expenses	<u>970,755</u>	<u>17</u>	<u>883,938</u>	<u>17</u>
INCOME (LOSS) FROM OPERATIONS	(<u>54,074</u>)	(<u>1</u>)	<u>295,552</u>	<u>5</u>
NON-OPERATING INCOME				
Interest	248,787	5	100,519	2
Gain on disposition of investments - net	238,140	4	9,073	-
Compensation	65,248	1	-	-
Investment income under equity method - net (Notes 2 and 6)	20,667	1	40,117	1
Foreign exchange gain - net (Note 2)	-	-	45,211	1
Other	<u>15,120</u>	<u>-</u>	<u>11,210</u>	<u>-</u>
Total Non-Operating Income	<u>587,962</u>	<u>11</u>	<u>206,130</u>	<u>4</u>
NON-OPERATING EXPENSES				
Interest	377,302	7	430,906	8
Provision for decline in value of short-term investments (Notes 2 and 4)	79,794	1	-	-
Foreign exchange loss - net (Note 2)	24,343	1	-	-
Provision for loss on inventories and spare parts	20,935	-	40,531	1
Other	<u>1,983</u>	<u>-</u>	<u>1,567</u>	<u>-</u>
Total Non-Operating Expenses	<u>504,357</u>	<u>9</u>	<u>473,004</u>	<u>9</u>

(Forward)

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INCOME BEFORE INCOME TAX	\$ 29,531	1	\$ 28,678	-
INCOME TAX BENEFIT (Notes 2 and 14)	<u>579,363</u>	<u>10</u>	<u>39,693</u>	<u>1</u>
NET INCOME	<u>\$ 608,894</u>	<u>11</u>	<u>\$ 68,371</u>	<u>1</u>
EARNINGS PER SHARE				
Based on weighted average number of outstanding shares of 1,701,000 thousand in 2000 and 1,401,000 thousand in 1999	<u>\$0.36</u>		<u>\$0.05</u>	
Based on 1,900,321 thousand shares in 2000 and 1,565,167 thousand shares in 1999 (Note 13)	<u>\$0.32</u>		<u>\$0.04</u>	

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

English Translation of Financial Statements Originally Issued in Chinese

POWERCHIP SEMICONDUCTOR CORPORATION

NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Six Months Ended 30th June, 2000 and 1999

(In Thousands of New Taiwan Dollars, Except Stock Dividend)

	CAPITAL STOCK ISSUED		STOCK DIVIDEND TO BE DISTRIBUTED	CAPITAL SURPLUS (Note 2)			RETAINED EARNINGS (DEFICIT)			TOTAL STOCKHOLDERS' EQUITY (Note 13)
	Shares (Thousand)	Amount		Paid-in Capital in Excess of Par Value	Gain on Disposition of Properties	Total	Legal Reserve	Unappropriated	Total	
BALANCE, 1ST JANUARY, 2000	1,701,000	\$17,010,000	\$ -	\$11,572,660	\$107	\$11,572,767	\$ -	\$ 600,812	\$ 600,812	\$29,183,579
Appropriations of 1999 earnings										
Legal reserve	-	-	-	-	-	-	60,081	(60,081)	-	-
Stock dividend - \$0.25 per share	-	-	425,250	-	-	-	-	(425,250)	(425,250)	-
Bonus to employees	-	-	37,060	-	-	-	-	(37,063)	(37,063)	(3)
Bonus to directors and supervisors	-	-	-	-	-	-	-	(11,119)	(11,119)	(11,119)
	<u>1,701,000</u>	<u>17,010,000</u>	<u>462,310</u>	<u>11,572,660</u>	<u>107</u>	<u>11,572,767</u>	<u>60,081</u>	<u>67,299</u>	<u>127,380</u>	<u>29,172,457</u>
Transfer of capital surplus to capital stock	-	-	1,530,900	(1,530,900)	-	(1,530,900)	-	-	-	-
Net income for the six months	-	-	-	-	-	-	-	608,894	608,894	608,894
Gain on disposition of properties	-	-	-	-	117	117	-	(117)	(117)	-
BALANCE, 30TH JUNE, 2000	<u>1,701,000</u>	<u>\$17,010,000</u>	<u>\$1,993,210</u>	<u>\$10,041,760</u>	<u>\$224</u>	<u>\$10,041,984</u>	<u>\$ 60,081</u>	<u>\$ 676,076</u>	<u>\$ 736,157</u>	<u>\$29,781,351</u>
BALANCE, 1ST JANUARY, 1999	1,401,000	\$14,010,000	\$ -	\$ 9,368,000	\$ 27	\$ 9,368,027	\$ -	(\$4,741,900)	(\$4,741,900)	\$18,636,127
Net income for the six months	-	-	-	-	-	-	-	68,371	68,371	68,371
Gain on disposition of properties	-	-	-	-	86	86	-	(86)	(86)	-
BALANCE, 30TH JUNE, 1999	<u>1,401,000</u>	<u>\$14,010,000</u>	<u>\$ -</u>	<u>\$ 9,368,000</u>	<u>\$113</u>	<u>\$ 9,368,113</u>	<u>\$ -</u>	<u>(\$4,673,615)</u>	<u>(\$4,673,615)</u>	<u>\$18,704,498</u>

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

POWERCHIP SEMICONDUCTOR CORPORATION

NON-CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Six Months Ended 30th June, 2000 and 1999

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended 30th June	
	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 608,894	\$ 68,371
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,223,032	2,013,284
Amortization	878,647	678,384
Deferred income tax	(581,662)	(39,815)
Foreign exchange gain from long-term bank loans	(196,690)	(117,036)
Receivable from insurance on earthquake damage	127,920	-
Provision (reversal of provision) for decline in value of short-term investments	79,794	(1,946)
Provision for loss on inventories and spare parts	20,935	40,531
Investment income under equity method - net	(20,667)	(40,117)
Provision (reversal of provision) for bad debts	(7,732)	43,353
Amortization of discount on short-term bills payable	1,812	12,088
Loss on disposition of properties - net	337	195
Gain on disposition of long-term stock investments - net	-	(5,627)
Provision for sales allowances	-	7,303
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Short-term investments	413,850	779,029
Notes and accounts receivable	(27,013)	(622,810)
Inventories	(243,181)	(13,447)
Other receivables	56,374	4,958
Prepaid expense	53,650	(56,487)
Forward contract receivable - net	24,267	107,476
Other current assets	556	63
Increase (decrease) in:		
Accounts payable	(54,941)	(44,489)
Accrued expenses	(44,847)	(144,001)
Other current liabilities	14,131	(2,792)
Accrued pension costs	854	1,574
Net Cash Provided by Operating Activities	3,328,320	2,668,042
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of properties	(4,738,066)	(917,613)
Increase in deferred charges	(1,467,060)	(1,163,985)
Acquisition of long-term stock investments	(902,395)	(118,714)
Acquisition of land	(250,675)	-

(Forward)

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Decrease (increase) in pledged time deposits	(\$ 165,978)	\$ 265,187
Increase in spare parts	(27,339)	(8,641)
Proceeds from disposition of properties	947	662
Decrease (increase) in refundable deposits	(281)	351
Proceeds from disposition of long-term stock investments	<u>-</u>	<u>82,252</u>
Net Cash Used in Investing Activities	(<u>7,550,847</u>)	(<u>1,860,501</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long-term bank loans	(1,970,069)	(1,652,949)
Decrease in short-term bills payable	(173,736)	(155,938)
Additions to long-term bank loans	216,300	-
Increase (decrease) in short-term bank borrowings	(100,000)	208,756
Increase (decrease) in refundable deposits received	<u>(3,910)</u>	<u>26</u>
Net Cash Used in Financing Activities	(<u>2,031,415</u>)	(<u>1,600,105</u>)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,253,942)	(792,564)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>11,912,766</u>	<u>4,326,216</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 5,658,824</u>	<u>\$ 3,533,652</u>
SUPPLEMENTAL INFORMATION		
Interest paid	<u>\$ 395,927</u>	<u>\$ 434,469</u>
Tax paid	<u>\$ 21,163</u>	<u>\$ 7,822</u>
Noncash financing activities - current portion of long-term bank loans	<u>\$ 4,312,960</u>	<u>\$ 3,901,251</u>
Cash paid for acquisition of properties		
Total acquisition	\$ 6,943,210	\$ 996,730
Payable, beginning of period	2,098,944	579,920
Payable, end of period	<u>(4,304,088)</u>	<u>(659,037)</u>
	<u>\$ 4,738,066</u>	<u>\$ 917,613</u>

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

POWERCHIP SEMICONDUCTOR CORPORATION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands of New Taiwan Dollars and Other Specified Currencies)

1. GENERAL

The Company was incorporated on 20th December, 1994 and became a public company on 6th February, 1995. The Company's stock has been traded on the Taiwan Over-The-Counter Securities Exchange since 23rd March, 1998. In November 1999, the Company had issued additional shares of stock mainly in the form of Global Depositary Shares (GDS). Such GDS has been listed on Luxembourg Stock Exchange and has been accepted for quotation on the SEAQ system of the London Stock Exchange and is traded in the Portal Market of the Nasdaq Stock Market, Inc.

The business scope of the Company mainly includes research and development, manufacturing, testing, assembling, sub-contract and sales of various IC.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Company, which conform to the regulations governing the preparation of financial statements of public companies and accounting principles generally accepted in the Republic of China, are summarized as follows:

Cash equivalents

Commercial paper and negotiable certificate of deposits with original maturity of less than three months from the date of purchase are classified as cash equivalents.

Short-term investments

Investments in listed stocks and mutual funds are stated at the lower of aggregate costs or market value. An allowance for decline in value is provided when the aggregate carrying value of the investments exceeds the total market value. Any recovery of the market value to the extent of the original carrying value is recognized as income. Costs of such investments sold are determined by the moving average method.

Bonds purchased under agreements to resell are stated at cost. Costs of bonds sold are determined by the specific identification method.

Allowance for doubtful receivables

Allowance for doubtful receivables is provided based on a review of the estimated collectibility of individual receivables.

Inventories

Inventories are stated at the lower of weighted average cost or market value. Market value represents net realizable value or replacement cost.

Long-term stock investments

Investments for which the Company has significant influence on the investees are accounted for by equity method. Other investments are accounted for by cost method.

Costs of such investments sold are determined by the moving average method.

Properties

Properties are stated at cost less accumulated depreciation. Major additions, renewals, betterments, and interest incurred during the construction period are capitalized, while maintenance and repairs are expensed currently.

The initial estimate of the service lives of the properties is as follows: buildings, 10 to 20 years; machinery and equipment, 2 to 5 years; research and development equipment, 2 to 5 years, facility equipment, 3 to 15 years; transportation equipment, 5 years; office equipment, 3 to 5 years; miscellaneous equipment, 2 to 5 years. The foregoing service lives plus one year to represent the estimated residual value are used to depreciate the properties using the straight-line method. The carrying value of properties, which were fully depreciated using the foregoing service lives, but are still being used by the Company are depreciated over their remaining estimated service lives.

Upon sale or disposition of properties, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is credited or charged to current income. Any such gain, less applicable income tax, is currently transferred to capital surplus.

Organization costs

Organization costs are amortized over five years from start of operations.

Deferred charges

Deferred charges are amortized on the straight-line method over the following periods: technical know-how, remaining contract period; computer software system, 2 to 5 years; test-run costs and technical service charge, 5 years; others, 2 to 7 years.

Revenue recognition

Sales revenue is recognized when risk and title of products are transferred upon their shipment.

Pension costs

The Company has a retirement plan covering all regular employees, which provides benefits based on length of service and average salaries and wages during the last six months before retirement. Starting May 1996, the Company makes monthly contributions to the pension fund equal to 2% of salaries and wages paid. The fund is administered by a pension fund committee and the contributions to the fund are deposited with Central Trust of China under the Committee's Name.

The annual pension costs are recognized based on actuarial calculated.

Income tax

Income tax represents income tax paid and payable for the current period plus the changes in the deferred income tax assets and liabilities during the period. Deferred income taxes are recognized for tax effects of temporary differences, unused tax credits, and operating loss carryforwards. Valuation allowance is provided for deferred tax assets that are not certain to be realized. Deferred tax assets or liabilities are classified as current or noncurrent items according to the nature of related assets or liabilities, or the expected reversal date of temporary difference.

Adjustments of prior years' tax are added to or deducted from the current period's tax provision.

Income taxes (10%) on undistributed earnings are recorded as expense in the period when the stockholders have resolved that the earnings shall be retained.

Foreign-currency transactions

Foreign-currency transactions, except derivative financial instruments, are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Gains or losses resulting from the application of different foreign exchange rates when foreign-currency receivables or payables are settled, are credited or charged to income in the period of conversion or settlement. At period-end, the balances of foreign-currency assets and liabilities are restated based on prevailing exchange rates and the resulting differences are credited or charged to income.

Derivative financial instruments

Forward exchange contracts and cross currency swap contracts for hedging purposes are recorded at the spot rate on the contract date. The foreign-currency amount of each contract multiplied by the difference between the spot rate and the contracted forward rate is amortized over the contract period. Any resulting gain or loss upon settlement is credited or charged to income in the period of settlement. For cross currency swaps contracts entered into as hedges of interest rate exposures, the related interest income and expense are recognized on the basis of contracted interest rates.

At period-end, the balances of forward exchange receivables or payables are translated based on prevailing exchange rates and the resulting gains or losses are credited or charged to income. The net forward contract receivable or payable is presented either as an asset or a liability in the balance sheet.

Reclassifications

Certain accounts in 1999 have been reclassified to conform to 2000 classifications, including the newly revised ROC FAS17 "Cash Flow Preparation".

3. CASH AND CASH EQUIVALENTS

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Time deposits	\$4,783,639	\$3,528,095
Commercial paper	699,931	-
Negotiable certificate of deposit	131,039	-
Demand deposits	36,511	5,005
Checking accounts	7,334	282
Cash on hand	<u>370</u>	<u>270</u>
	<u>\$5,658,824</u>	<u>\$3,533,652</u>

4. SHORT-TERM INVESTMENTS

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Listed common stocks	\$ 319,081	\$ -
Mutual funds	<u>10,000</u>	<u>30,000</u>
	329,081	30,000
Allowance for decline in value	(<u>79,794</u>)	<u>-</u>
	249,287	30,000
Bonds purchased under agreements to resell	<u>-</u>	<u>257,513</u>
	<u>\$ 249,287</u>	<u>\$ 287,513</u>

The market values of the funds and stocks as of 30th June, 2000 and 1999 were \$249,287 and \$32,520, respectively, based on average closing price of listed stocks in June and net asset value of mutual funds as of 30th June.

5. INVENTORIES

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Finished goods	\$ 61,766	\$ 92,639
Work in process	1,627,463	904,424
Materials	<u>391,728</u>	<u>203,038</u>
	2,080,957	1,200,101
Allowance for losses	(<u>32,265</u>)	(<u>233,090</u>)
	<u>\$2,048,692</u>	<u>\$ 967,011</u>

6. LONG-TERM STOCK
INVESTMENTS

	As of 30th June			
	2000		1999	
	Amount	Percentage of Ownership	Amount	Percentage of Ownership
Equity method - Li-Hsin Investment Corp.	\$ 720,938	99.75	\$ 596,889	99.75
Cost method:				
Powertest Technology Inc.	368,993	10.49	101,288	4.36
Power Quotient International Co., Ltd.	253,500	14.40	-	-
MaxEdge Electronics Corp.	154,632	6.15	55,632	2.40
Eastern Broadland Telecommunications Co., Ltd.	120,000	0.18	-	-
Netimage Corp.	96,600	4.69	-	-
Optimax Technology Corp., Ltd.	47,600	1.16	-	-
Venglobal Capital Fund L.P.	33,928	5.18	-	-
OmniVision Technologies Inc.	31,750	2.11	-	-
E-Tech, Inc.	25,000	2.26	25,000	2.26
PHI Tech Corporation	23,625	1.35	-	-
Jade Pacific Corporation	22,500	0.68	-	-
Newsoft Technology Corp.	20,743	1.58	49,490	3.93
Billions of Operations Per Second, Inc.	16,175	2.21	-	-
Globalgate. Com, Inc. (named Globalgate E-Commerce, LLC before)	15,805	0.98	-	-
Hsin Chu Golf Country Club	6,420	0.24	6,420	0.24
Prepayment				
Venglobal International Fund	15,258		-	
E-Tech, Inc.	4,611		-	
PHI Tech Corporation	996		-	
MaxEdge Electronics Corp.	-		49,000	
Venglobal Capital Fund L.P.	-		37,364	
Billions of Operations Per Second, Inc.	-		32,350	
Industrial Park Resources Recycle Corp.	-		1,250	
	<u>\$1,979,074</u>		<u>\$ 954,683</u>	

The Company and Li-Hsin Investment Corp. jointly owned 22% of the common stock of Powertest Technology Inc. in the first quarter of 1999. Accordingly, this investment was accounted for by equity method. In April 1999, Powertest Technology Inc. offered for cash subscription, however, the Company and Li-Hsin Investment Corp. did not subscribed to such shares. This has led to the joint ownership of the Company and Li-Hsin Investment Corp. immaterial to Powertest Technology Inc. Accordingly, this investment has been accounted for by cost method since April 1999.

The carrying value of investments accounted for by equity method and the related investment income and loss whether based on the investees' audited or unaudited financial statements in the same period are summarized as follows:

	<u>For the Six Months Ended 30th June</u>	
	<u>2000</u>	<u>1999</u>
Audited financial statements		
Li-Hsin Investment Corp.	\$ 20,667	\$ 44,703
Unaudited financial statements		
Powertest Technology Inc.	<u> -</u>	<u>(4,586)</u>
	<u>\$ 20,667</u>	<u>\$ 40,117</u>

7. PROPERTIES

Accumulated depreciation on properties consists of the following:

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Buildings	\$ 486,500	\$ 355,163
Machinery and equipment	10,065,852	6,718,799
Research and development equipment	17,079	9,243
Facility equipment	2,474,135	1,701,440
Transportation equipment	5,169	4,974
Office equipment	64,702	52,679
Miscellaneous equipment	<u>46,814</u>	<u>31,383</u>
	<u>\$13,160,251</u>	<u>\$ 8,873,681</u>

- a. Depreciation for the six months ended 30th June, 2000 and 1999 were \$2,223,032 and \$2,013,284, respectively.
- b. Refer to Note 16 for assets pledged as collateral.
- c. On 28th March, 2000, the board of directors resolved to sell packaging and testing related assets to Powertest Technology Inc. in the fourth quarter of 2000, including machinery, related inventories and spare parts etc. The above resolution was also approved by stockholders on 24th May, 2000. The proceeds from disposal of those assets are estimated to be \$1,600,000. No material disposal gain or loss is expected.

8. DEFERRED CHARGES - NET

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Technical know-how	\$3,671,644	\$3,438,938
Computer software system	160,960	313,484
Test-run costs	79,401	142,921
Technical service charge	65,543	114,128
Other	<u>98,646</u>	<u>111,836</u>
	<u>\$4,076,194</u>	<u>\$4,121,307</u>

As of 30th June, 2000, the Company has several agreements under which Mitsubishi Electric Corporation (Mitsubishi (Japan)) shall transfer certain technologies in the manufacture of Dynamic Random Access Memory to the Company for which Mitsubishi (Japan) shall receive technical know-how fees aggregating to approximately ¥ 25.38 billion, payable in installments. As of 30th June, 2000, \$6,495,006 (¥ 24.38 billion) of such fees has been paid.

9. SHORT-TERM BANK BORROWINGS

Short-term bank borrowings consist of loans for usance letters of credit and working capital purpose.

The balance as of 30th June, 1999 is payable by 16th June, 2000 and bears interest rates ranging from 0.76% to 8.25%.

10. SHORT-TERM BILL PAYABLE - COMMERCIAL PAPERS

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Face value	\$ 180,000	\$ 250,000
Less - unamortized discount	(<u>2,926</u>)	(<u>4,077</u>)
	<u>\$ 177,074</u>	<u>\$ 245,923</u>
Interest rate	5.05%	4.7%-5.28%
Last due date	27th October, 2000	1st December, 1999

The issuance of foregoing commercial papers was guaranteed by financial institutions.

11. LONG-TERM BANK LOANS

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Long-term secured syndicated loans		
New Taiwan dollars	\$ 1,832,457	\$ 2,631,154
Japanese yen - ¥ 5,400,000 in 2000 and ¥ 8,100,000 in 1999	1,567,080	2,162,700
U.S. dollars - US\$47,059 in 2000 and US\$94,118 in 1999	1,449,132	3,040,380
Medium to long-term loans		
New Taiwan dollars	2,416,672	2,730,442
Japanese yen - ¥ 987,625 in 2000 and ¥ 1,365,039 in 1999	286,609	364,465
U.S. dollars - US\$7,581 in 2000 and US\$10,602 in 1999	<u>233,437</u>	<u>342,500</u>
	7,785,387	11,271,641
Less - current portion due within one year	(<u>4,312,960</u>)	(<u>3,901,251</u>)
	<u>\$ 3,472,427</u>	<u>\$ 7,370,390</u>

The loans are due in quarterly or semi-annual installments of varying amounts to be fully repaid by November 2003, bearing interest rate ranging from 1.01% to 8.96% and from 1.14% to 8.56% for the six months ended 30th June, 2000 and 1999, respectively.

The long-term secured loans obtained from a syndicate of banks led by Chiao Tung Bank were used to finance the construction of the 8 - inch DRAM wafer fabrication facility.

The loan agreements revised in September 1999 require, among others:

- a. The maintenance by the Company of a liability ratio (liability/net assets) of under 120%, a current ratio of over 100%, interest coverage of over 300% in 1999 and interest coverage of over 400% in 2000 and onwards. If the Company fails to meet these ratios, it shall improve its financial position by issuing capital stock for cash within six months, in order to meet such ratios.
- b. Any significant investment projects, changes in business/ organization, or sale/ transfer of major assets, requiring the approval by the board of directors, shall be agreed by the bank syndicate in advance.
- c. Refer to Note 16 for assets pledged as collateral.

12. PENSION PLAN

Pension costs based on actuarial calculation for the six months ended 30th June, 2000 and 1999 were \$9,519 and \$8,759, respectively.

Pension fund balances were \$57,908 and \$41,512 as of 30th June, 2000 and 1999, respectively.

The changes in the fund and pension payable are summarized as follows:

	For the Six Months Ended 30th June	
	2000	1999
<u>Fund</u>		
Balance, beginning of period	\$ 49,377	\$ 32,433
Contributions	8,531	7,185
Interest earned	-	1,894
Balance, end of period	<u>\$ 57,908</u>	<u>\$ 41,512</u>
<u>Pension payable</u>		
Balance, beginning of period	\$ 19,785	\$ 16,982
Provision	9,519	8,759
Contributions	(8,531)	(7,185)
Balance, end of period	<u>\$ 20,773</u>	<u>\$ 18,556</u>

13. STOCKHOLDERS' EQUITY

The Company's Articles of Incorporation which was amended by the stockholders on 24th May, 2000 provides that the annual net income, after offsetting against any deficit, shall be appropriated as follows:

- a. 10% as legal reserve;
- b. Special reserve;
- c. Cash dividend and bonus to preferred stocks, no such shares outstanding as of 30th June, 2000, based on their issuance term;
- d. Bonus to directors and supervisors, and to employees, equal to 3% and 10% of the balance after deducting item a and b, respectively;
- e. The remainder, as dividend to stockholders.

In accordance with SFC regulations, whenever the stockholders' equity contains components showing debit balance, a special reserve equivalent to the total debit balance shall be appropriated from current year's earnings or unappropriated earnings generated in prior years. The special reserve is reversible when the total debit balance reduces.

It is the Company's policy to declare dividend of at least 60% of the available earnings. Also, it is its policy that at least 50% of the dividend shall be in the form of shares of stock with the remainder as cash dividend.

Under the Integrated Income Tax System that became effective on 1st January, 1998, non-corporate resident stockholders are allowed a tax credit for the income tax paid by the Company on earnings generated starting January 1, 1998. An Imputation Credit Account (ICA) is maintained by the Company for such income tax and the tax credit allocated to each stockholder except Non-ROC holders. The maximum credit available for allocation to each shareholder cannot exceed the balance shown in the ICA on the date of dividend distribution.

On 28th March, 2000, the board of directors proposed the following appropriation of the 1999 earnings:

Legal reserve	\$ 60,081
Dividends:	
Regular - stock dividend \$0.1 per share	170,100
Special - stock dividend \$0.15 per share	255,150
Bonus to:	
Directors and supervisors	11,119
Employees - stock	37,060
Employees - cash	<u>3</u>
	<u>\$ 533,513</u>

On 28th March, 2000, the board of directors also proposed the issuance of additional 199,321 thousand common shares with an aggregate par value of \$1,993,210. The proposed new issuance will be in the form of stock dividend of \$425,250 from unrestricted retained earnings, partial bonus to employees of \$37,060 and stock dividend out of capital surplus of \$1,530,900. This resolution has been approved by the stockholders on 24th May, 2000 and by the SFC on 5th June, 2000. The record date is 3rd July, 2000.

On 28th March and 24th May, 2000, the board of directors also resolved a capital increase of about \$6,000,000 by issuing 100,000 thousand shares of common stock and another cash injection of \$3,000,000 by raising convertible warranty bonds. This resolution has been filing for the approval of the SFC.

14. INCOME TAX BENEFIT

	For the Six months Ended 30th June	
	<u>2000</u>	<u>1999</u>
Income tax expense - current	\$ -	\$ -
Income tax benefit - deferred	581,662	39,815
Tax on interest income on short-term bills	(<u>2,299</u>)	(<u>122</u>)
Income tax benefit	<u>\$ 579,363</u>	<u>\$ 39,693</u>

Net deferred income tax assets (liabilities) as of 30th June, 2000 and 1999 were as follows:

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Current deferred income tax assets:		
Tax credits	\$ 1,455,486	\$ -
Loss carryforwards	112,324	-
Provision for loss on inventories	6,453	46,011
Temporary difference allocated to inventories	1,253	36,671
Other	22,948	8,355
Deferred income tax liabilities - current	(1,654)	-
	<u>1,596,810</u>	<u>91,037</u>
Less - valuation allowance	(885,850)	-
	<u>\$ 710,960</u>	<u>\$ 91,037</u>
Non-current deferred income tax assets:		
Tax credits	\$ 1,522,705	\$ 2,548,198
Loss carryforwards	2,093,711	2,061,643
Other	12,437	19,454
Non-current deferred income tax liabilities:		
Depreciation	(925,877)	(821,653)
Unrealized foreign exchange gain	(87,613)	(47,421)
Other	(1,500)	(2,595)
	<u>2,613,863</u>	<u>3,757,626</u>
Less - valuation allowance	(909,321)	(1,980,357)
	<u>\$ 1,704,542</u>	<u>\$ 1,777,269</u>

The related information under the Integrated Income Tax System is as follows:

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Balance of ICA	<u>\$ 3,185</u>	<u>\$ 543</u>

The ratio of credit available for allocation to stockholders with respect to the appropriation of 1999's earnings is 0.53%.

As of 30th June, 2000, the unused tax credits, mainly pertaining to investment in machinery and equipment, research and development expenditures and professional personnel training expenditures, and unused loss carryforwards are as follows:

<u>Year of Expiry</u>	<u>Tax Credits</u>	<u>Tax Impact of Loss Carryforwards</u>
2000	\$1,348,795	\$ 665
2001	397,479	268,985
2002	502,016	209,300
2003	569,622	1,365,153
2004	160,279	250,273
2005	-	111,659
	<u>\$2,978,191</u>	<u>\$2,206,035</u>

Income tax returns through 1997 have been examined by the tax authorities.

15. RELATED PARTY TRANSACTIONS

a. Related parties:	<u>Relationship</u>
Powertest Technology Inc. (Powertest)	The Company is its director
UMAX Data Systems Inc. (UMAX)	Same chairman
Mitsubishi Electric Corp. (Mitsubishi (Japan))	Director
Kanematsu Corporation (Kanematsu)	Director (until 30th July, 1999)
Vanguard International Semiconductor Corporation (Vanguard)	Director (from 12th October, 1999)
Mitsubishi Electric Taiwan Company (Mitsubishi (Taiwan))	Subsidiary of Mitsubishi (Japan)
Power Quotient International Co., Ltd. (Power)	Director (from 30th June, 2000)
Li-Hsin Investment Corp. (Li-Hsin)	Subsidiary of the Company

b. Related party transactions other than those disclosed in other notes:

<u>For the six months ended 30th June</u>	<u>2000</u>		<u>1999</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
1) Net sales				
Mitsubishi (Taiwan)	\$2,706,389	47	\$3,791,463	72
Power	168,001	3	-	-
Vanguard	35,083	1	-	-
UMAX	-	-	53,722	1
Other	-	-	440	-
	<u>\$2,909,473</u>	<u>51</u>	<u>\$3,845,625</u>	<u>73</u>
(Forward)				

2) Purchases				
Mitsubishi (Taiwan)	\$ 270,202	23	\$ 347,088	37
Kanematsu	21,644	2	7,119	1
Mitsubishi (Japan)	<u>10,723</u>	<u>1</u>	<u>3,855</u>	<u>-</u>
	<u>\$ 302,569</u>	<u>26</u>	<u>\$ 358,062</u>	<u>38</u>
3) Acquisition of properties				
Kanematsu	\$ 308,614	4	\$ 173,238	18
Mitsubishi (Taiwan)	224,100	3	1,000	-
Other	<u>104</u>	<u>-</u>	<u>2,239</u>	<u>-</u>
	<u>\$ 532,818</u>	<u>7</u>	<u>\$ 176,477</u>	<u>18</u>
4) Technical know-how and royalty				
Mitsubishi (Japan)	<u>\$1,510,317</u>	<u>94</u>	<u>\$1,121,200</u>	<u>100</u>
5) Manufacturing expenses – sub-contract costs, indirect materials, expensed properties, repairs and maintenance, etc.				
Powertest	\$ 89,767	2	\$ 101,907	3
Mitsubishi (Japan)	13,985	-	11,935	-
Other	<u>4,275</u>	<u>-</u>	<u>984</u>	<u>-</u>
	<u>\$ 108,027</u>	<u>2</u>	<u>\$ 114,826</u>	<u>3</u>
6) Purchase of spare parts				
Kanematsu	\$ 10,013	5	\$ 10,107	6
Other	<u>1,816</u>	<u>1</u>	<u>1,735</u>	<u>1</u>
	<u>\$ 11,829</u>	<u>6</u>	<u>\$ 11,842</u>	<u>7</u>
<u>As of 30th June</u>				
7) Accounts receivable – net				
Mitsubishi (Taiwan)	\$ 364,384	19	\$1,432,164	71
Power	116,016	6	-	-
Other	<u>3,379</u>	<u>-</u>	<u>434</u>	<u>-</u>
	<u>\$ 483,779</u>	<u>25</u>	<u>\$1,432,598</u>	<u>71</u>
8) Accounts payable				
Mitsubishi (Taiwan)	\$ 101,022	13	\$ 67,130	12
Powertest	45,200	6	42,859	8
Other	<u>13,379</u>	<u>1</u>	<u>6,734</u>	<u>1</u>
	<u>\$ 159,601</u>	<u>20</u>	<u>\$ 116,723</u>	<u>21</u>

(Forward)

9) Payable on equipment				
Kanematsu	\$ 400,845	9	\$ 137,385	21
Mitsubishi (Taiwan)	63,315	2	-	-
Mitsubishi (Japan)	<u>-</u>	<u>-</u>	<u>3,071</u>	<u>-</u>
	<u>\$ 464,160</u>	<u>11</u>	<u>\$ 140,456</u>	<u>21</u>

The Company purchased the following long-term stock investments from related parties for the period ended 30th June, 2000 and 1999:

<u>Related parties</u>	<u>Investee</u>	<u>Shares (Thousand)</u>	<u>Amount</u>
<u>2000</u>			
Li-Hsin	Powertest Technology Inc.	11,747	\$ 254,554
UMAX	Power Hwa Technology Co., Ltd.	850	<u>47,600</u>
			<u>\$ 302,154</u>
<u>1999</u>			
UMAX	Venglobal Capital Fund L.P.	-	\$ 37,364
	Billion of Operations Per Second, Inc.	1,667	<u>32,350</u>
			<u>\$ 69,714</u>

Under a Purchase Agreement entered into in October 1996, the Company shall sell DRAM bearing Mitsubishi brand to Mitsubishi (Japan) through Mitsubishi (Taiwan) under terms specified in the agreement.

Except for the sales transactions with Mitsubishi (Taiwan), which have no comparable parties, all transactions with other related parties are conducted based on normal commercial prices and terms.

16. PLEDGED OR MORTGAGED ASSETS

The following assets are pledged or mortgaged as collateral for long-term bank loans, usance letters of credit and bonded inventories:

	<u>As of 30th June</u>	
	<u>2000</u>	<u>1999</u>
Properties - net	\$11,641,334	\$14,865,032
Other assets - land	311,510	-
Time deposits	<u>261,339</u>	<u>28,634</u>
	<u>\$12,214,183</u>	<u>\$14,893,666</u>

17. COMMITMENTS AND CONTINGENCIES

- a. Under a Patent License Agreement with Texas Instruments Inc. executed in February 1999, the Company shall pay royalty for ten years starting 1st January, 1998 at an agreed percentage of the sale price of the licensed products.
- b. Under a Patent License Agreement with International Business Machines executed in September 1998, the Company shall pay a specific amount of royalty annually for five years from 1998.
- c. Under several License and Technology Transfer Agreements, executed or amended in June, August and October 1999, respectively, with Mitsubishi (Japan), the Company shall pay royalties at agreed percentages of the sale price of certain specific licensed products starting from June 1998, August 1999 and June 1998.
- d. A litigation was brought by G-Link Technology Corporation (G-Link) in May 1999, against the Company for returning the sales price and damages. The case is on trial at the district court of Hsinchu, Taiwan. The Company believes that this litigation shall have no material impact to the Company.
- e. Unused letters of credit of about US\$16,935 and ¥3,765,624 as of 30th June, 2000.
- f. The Company has two parcels of land leased from the Science-Based Industrial Park Administration for twenty years from April 1995 and October 1998, respectively, renewable upon expiration. The current minimum annual rental is \$40,343. However, the Science-Based Industrial Park Administration may adjust the rental rate according to its rule.

18. DERIVATIVE FINANCIAL INSTRUMENTS

- a. Outstanding derivative contracts as of 30th June, 2000 and 1999 were as follow:

Items	2000		1999	
	Contract Amount (Nominal Amount)	Credit Risk	Contract Amount (Nominal Amount)	Credit Risk
Cross currency swap	US\$22,500 (US\$ to NT\$) floating US\$ interest rate swap for fixed NT\$ interest rate of 6.7%-6.95%	\$ -	¥ 1,800,000 (JP ¥ to US\$) floating JP ¥ interest rate swap for fixed US\$ interest rate of 6.23%	\$ 33,314

(Forward)

	US\$90,000 (NT\$ to US\$) NT\$ interest rate from 5.7%-5.83% swap for US\$ interest rate of 6.3%	\$ 83,940	US\$31,500 (US\$ to NT\$) floating US\$ interest rate swap for fixed NT\$ interest rate of 6.7%-6.95%	\$ -
Forward exchange contracts	-	-	US\$38,000 (US\$ to NT\$)	-

The Company will be exposed to credit risk in the event of nonperformance of forward contracts by the counter parties on maturity. In order to minimize this risk, the Company transacts only with financial institutions with good credit ratings. Thus, no material losses from the above are anticipated.

- b. Market risk - The Company entered into cross currency swap and forward exchange contracts to hedge the effect of interest rate or foreign currency fluctuation on its net foreign currency - denominated assets or liabilities. Thus, gain or loss arising from exchange rate and interest rate fluctuations will approximately be offset by those hedged items. The potential market risk is insignificant.
- c. Liquidity risk, cash flow risk and uncertainty of amount and term of future cash demand

The future cash demand of outstanding forward contracts as of 30th June, 2000 is as follow:

Term	Cross Currency Swap	
	Inflow	Outflow
Within one year	US\$ 9,000	NT\$ 291,030
	NT\$ 2,855,400	US\$ 90,000
1 - 2 years	US\$ 9,000	NT\$ 291,030
2 - 3 years	US\$ 4,500	NT\$ 145,515

The Company has sufficient operating capital to meet the above cash demand, and the exchange rate of cross currency swap and that of forward exchange contracts have been fixed, so there is no material fund raising risk and cash flow risk.

- d. Kinds and purpose of derivative financial instruments held and related strategies

The Company contracted or entered into the derivative financial transactions, completely for hedging purpose other than trading. The Company entered into forward contracts to hedge the effect of exchange rate fluctuations on net foreign currency-denominated assets and liabilities. The purpose of hedging strategies is to hedge market risk the Company is exposed to. The Company has designated hedging instruments as high correlations with the fair value of the hedged items and periodically evaluates the effectiveness of the instruments.

e. Other information

The realized exchange gains derived from settled cross currency swap and forward exchange contracts are gains of \$75,425 and \$52,495 for the six months ended 30th June, 2000 and 1999 under non-operating income; and net receivables of \$48,982 and of \$8,236 as of 30th June, 2000 and 1999, respectively, generated from cross currency swap and forward exchange contracts are accounted under current assets.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Company's certain financial instruments as of 30th June, 2000 and 1999 are presented in Exhibit A.

The methods and assumptions applied in estimating fair values were as follows:

- a. The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, interest receivable, pledged time deposits, accounts payable, payable on equipment, interest payable, short-term bank borrowings and short-term bill payable approximate their fair values.
- b. Fair value of short-term and long-term investments, except bonds purchased under agreements to resell, was based on quoted market prices or, if quoted market prices are unavailable, upon net worth or book value. The fair values of bonds purchased under agreements to resell were based on contracted resell price.
- c. Fair value of long-term bank loans was estimated using discounted cash flow analysis, based on the Company's current incremental borrowing rates for similar types (similar maturity dates) of borrowings. The fair value of long-term bank loans of the Company all bearing floating interest rates was equivalent to their book value.
- d. Fair values of refundable deposits and refundable deposits received were based on their book value.
- e. Fair value of derivative financial instruments was the estimated net receivable (positive) or payable (negative) if those contracts are terminated on the balance sheet date.

Certain financial instruments and all nonfinancial instruments are excluded from disclosure of fair value. Accordingly, the aggregate fair value presented in Exhibit A does not represent the underlying value of the Company.

POWERCHIP SEMICONDUCTOR CORPORATION
FAIR VALUE OF FINANCIAL INSTRUMENTS

	As of 30th June			
	2000		1999	
	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>
<u>Non-derivative instruments</u>				
Assets				
Financial assets - with fair value approximating carrying amounts	\$ 7,859,891	\$ 7,859,891	\$ 5,538,595	\$ 5,538,595
Short-term and long-term investments	2,228,361	1,701,223	1,242,196	1,190,688
Refundable deposits	18,295	18,295	10,199	10,199
Liabilities				
Financial liabilities - with fair value approximating carrying amounts	5,345,112	5,345,112	2,241,640	2,241,640
Long-term bank loans (including current portion)	7,785,387	7,785,387	11,271,641	11,271,641
Refundable deposits received	762	762	621	621
<u>Derivative Instruments</u>				
Cross currency swap	48,982	48,982	32,285	32,285
Forward exchange contracts	-	-	(24,049)	(22,973)