



Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Three Months Ended Dec. 31, 2009 and 2008

(Expressed in Millions New Taiwan Dollars (NTD) and U.S. Dollars (USD) ⁽¹⁾)

Except for Per Share Amounts and Shares Outstanding)

	Year over Year Comparison					Sequential Comparison					
	4Q 2009		% of Sales	4Q 2008		YoY Inc(Dec) %	4Q 2009		3Q 2009		QoQ Inc(Dec) %
	USD	NTD		NTD	NTD		USD	NTD	% of Sales	NTD	
Net Sales	97	3,123	100.0	2,677	16.7	97	3,123	100.0	4,343	(28.1)	
Cost of Sales	(86)	(2,772)	(88.7)	(2,933)	(5.5)	(86)	(2,772)	(88.7)	(3,380)	(18.0)	
Gross Profit (Loss)	11	352	11.3	(256)	-	11	352	11.3	963	(63.5)	
Operating Expenses											
General and Administrative Expenses	(4)	(144)	(4.6)	(132)	9.6	(4)	(144)	(4.6)	(143)	1.0	
Selling and Marketing Expenses	(0)	(8)	(0.3)	1	-	(0)	(8)	(0.3)	(25)	(67.5)	
Research and Development Expenses	(5)	(158)	(5.1)	(186)	(15.2)	(5)	(158)	(5.1)	(168)	(5.9)	
Total Operating Expenses	(10)	(310)	(9.9)	(317)	(2.0)	(10)	(310)	(9.9)	(335)	(7.5)	
Operating Income (Loss)	1	41	1.3	(573)	-	1	41	1.3	627	(93.4)	
Investment Gain (Loss)	2	73	2.3	(38)	-	2	73	2.3	26	184.9	
Net Other Non-operating Expenses	(1)	(24)	(0.8)	(21)	12.5	(1)	(24)	(0.8)	31	-	
Income (Loss) before Income Tax	3	91	2.9	(632)	-	3	91	2.9	684	(86.8)	
Income Tax (Expenses) Credit	(0)	(3)	(0.1)	106	-	(0)	(3)	(0.1)	(0)	1,321.5	
Net Income (Loss)	3	87	2.8	(526)	-	3	87	2.8	684	(87.2)	
Diluted Earnings Per Share (2)	0.002	0.05		(0.30)	-	0.002	0.05		0.41	(87.8)	
Weighted Average Outstanding Shares('M) (2)		1,683		1,736			1,683		1,684		

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD32.31 per U.S. dollar for the three months of 2009.

(2) Total weighted average outstanding shares were 1,683,326K shares for 4Q09, 1,736,480K shares for 4Q08 and 1,684,069K shares for 3Q09

Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Years Ended Dec. 31, 2009 and 2008

(Expressed in Millions New Taiwan Dollars (NTD) and U.S. Dollars (USD) ⁽¹⁾)

Except for Per Share Amounts and Shares Outstanding)



	12 months ended Dec. 31				
	2009			2008	YoY
	USD	NTD	% of Sales	NTD	Inc(Dec) %
Net Sales	381	12,588	100.0%	16,120	(21.9)
Cost of Sales	(343)	(11,345)	-90.1%	(13,516)	(16.1)
Gross Profit	38	1,243	9.9%	2,604	(52.3)
Operating Expenses					
General and Administrative Expenses	(17)	(549)	-4.4%	(693)	(20.8)
Selling and Marketing Expenses	(2)	(79)	-0.6%	(95)	(17.3)
Research and Development Expenses	(20)	(669)	-5.3%	(792)	(15.5)
Total Operating Expenses	(39)	(1,297)	-10.3%	(1,579)	(17.9)
Operating (Loss) Income	(2)	(53)	-0.4%	1,025	-
Investment Gain (Loss)	2	73	0.6%	(44)	-
Net Other Non-operating Income	2	73	0.6%	157	(53.6)
Income before Income Tax	3	92	0.7%	1,137	(91.9)
Income Tax Expenses	(0)	(3)	0.0%	(95)	(96.6)
Net Income	3	89	0.7%	1,042	(91.4)
Diluted Earnings Per Share ⁽²⁾	0.002	0.05		0.60	(91.2)
Weighted Average Outstanding Shares('M) ⁽²⁾		1,683		1,736	

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD33.074 per U.S. dollar for the year ended of 2009.

(2) Total weighted average outstanding shares were 1,683,326K for the year ended Dec. 31, 2009 and 1,736,480K shares for the year ended Dec. 31, 2008.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of Dec. 31, 2009 and Sep. 30, 2009
 (Figures in Millions of New Taiwan Dollars (NTD) and U.S. Dollars (USD))*

ASSETS	Dec. 31, 2009			Sep 30, 2009		QoQ	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash and Cash Equivalents	215	6,901	30.9	5,023	22.1	1,878	37.4
Investments in Marketable Financial Instruments	9	287	1.3	447	2.0	(160)	(35.8)
Accounts Receivable	56	1,784	8.0	2,658	11.7	(874)	(32.9)
Inventories	35	1,134	5.1	1,422	6.3	(288)	(20.3)
Other Current Assets	10	326	1.5	391	1.7	(66)	(16.8)
Total Current Assets	326	10,432	46.7	9,941	43.7	491	4.9
Long Term Investment	11	338	1.5	331	1.5	6	1.9
Properties	1,836	58,810	263.3	59,065	259.9	(255)	(0.4)
Less Accumulated Depreciation	(1,516)	(48,544)	(217.3)	(47,878)	(210.6)	(666)	1.4
Net Properties	321	10,266	46.0	11,187	49.2	(921)	(8.2)
Other Assets	41	1,302	5.8	1,270	5.6	32	2.5
Total Assets	697	22,338	100.0	22,729	100.0	(392)	(1.7)
LIABILITIES							
Accounts Payable & Other Current Liabilities	57	1,836	8.2	2,383	10.5	(547)	(22.9)
Other Long Term Liabilities	16	505	2.3	500	2.2	5	1.0
Total Liabilities	73	2,341	10.5	2,883	12.7	(542)	(18.8)
SHAREHOLDERS' EQUITY							
Capital Stock	524	16,779	75.1	16,776	73.8	3	0.0
Capital Surplus - Employee Stock Options	15	465	2.1	464	2.0	1	0.1
Capital Surplus - L/T Investment	2	69	0.3	69	0.3	(0)	(0.0)
Capital Surplus - Treasury Stock	1	32	0.1	32	0.1	0	0.0
Retained Earnings							
- Legal Reserve	49	1,585	7.1	1,585	7.0	0	0.0
- Special Reserve	9	277	1.2	277	1.2	0	0.0
- Previous Year	21	665	3.0	665	2.9	0	0.0
- Current Year	3	89	0.4	2	0.0	87	4,614.3
Unrealized Fair Value Adjustment	2	80	0.4	19	0.1	61	312.2
Cumulative Translation Adjustment	(1)	(44)	(0.2)	(43)	(0.2)	(1)	2.4
Total Shareholders' Equity	624	19,997	89.5	19,846	87.3	150	0.8
Total Liabilities & Shareholders' Equity	697	22,338	100.0	22,729	100.0	(392)	(1.7)

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$32.03 per U.S. Dollar as of Dec. 31, 2009.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of Dec. 31, 2009 and 2008

(Figures in Millions of New Taiwan Dollars (NTD) and U.S. Dollars (USD))*

ASSETS	Dec. 31, 2009			Dec. 31, 2008		YoY	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash and Cash Equivalents	215	6,901	30.9	4,273	18.4	2,628	61.5
Investments in Marketable Financial Instruments	9	287	1.3	183	0.8	104	57.2
Accounts Receivable	56	1,784	8.0	1,334	5.8	450	33.8
Inventories	35	1,134	5.1	1,811	7.8	(677)	(37.4)
Other Current Assets	10	326	1.5	296	1.3	30	10.0
Total Current Assets	326	10,432	46.7	7,897	34.1	2,535	32.1
Long Term Investment	11	338	1.5	481	2.1	(143)	(29.7)
Properties	1,836	58,810	263.3	58,824	253.8	(13)	(0.0)
Less Accumulated Depreciation	(1,516)	(48,544)	(217.3)	(45,275)	(195.4)	(3,269)	7.2
Net Properties	321	10,266	46.0	13,549	58.5	(3,282)	(24.2)
Other Assets	41	1,302	5.8	1,248	5.4	54	4.3
Total Assets	697	22,338	100.0	23,174	100.0	(836)	(3.6)
LIABILITIES							
Accounts Payable & Other Current Liabilities	57	1,836	8.2	2,400	10.4	(564)	(23.5)
Other Long Term Liabilities	16	505	2.3	513	2.2	(9)	(1.7)
Total Liabilities	73	2,341	10.5	2,914	12.6	(573)	(19.7)
SHAREHOLDERS' EQUITY							
Capital Stock	524	16,779	75.1	16,955	73.2	(176)	(1.0)
Capital Surplus - Employee Stock Options	15	465	2.1	463	2.0	1	0.2
Capital Surplus - L/T Investment	2	69	0.3	69	0.3	0	0.3
Capital Surplus - Treasury Stock	1	32	0.1	0	0.0	32	100.0
Retained Earnings							
- Legal Reserve	49	1,585	7.1	1,481	6.4	104	7.0
- Special Reserve	9	277	1.2	0	0.0	277	100.0
- Previous Year	21	665	3.0	675	2.9	(10)	(1.5)
- Current Year	3	89	0.4	1,042	4.5	(953)	(91.4)
Unrealized Fair Value Adjustment	2	80	0.4	(239)	(1.0)	319	(133.5)
Cumulative Translation Adjustment	(1)	(44)	(0.2)	(38)	(0.2)	(6)	15.2
Treasury Stock	0	0	0.0	(148)	(0.6)	148	(100.0)
Total Shareholders' Equity	624	19,997	89.5	20,260	87.4	(264)	(1.3)
Total Liabilities & Shareholders' Equity	697	22,338	100.0	23,174	100.0	(836)	(3.6)

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$32.03 per U.S. Dollar as of Dec. 31, 2009.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended Dec. 31, 2009 and 2008
(Figures in Million of New Taiwan Dollars (NTD) and U.S. Dollars (USD))*

	2009		2008
	USD	NTD	NTD
Cash Flows from Operating Activities:			
Net Income	3	89	1,042
Depreciation & Amortization	107	3,555	3,359
Investment loss recognized by equity method	1	40	37
Investment gain from disposal of financial assets	(2)	(80)	0
Impairment loss	3	111	27
Gain on sales of long-term stock investments	(1)	(37)	0
Loss (gain) on disposal of properties - net	0	6	(8)
Deferred income tax assets	(3)	(98)	89
Changes in working capital & others	(0)	(10)	757
Net Cash Provided by Operating Activities	108	3,577	5,303
Cash Flows from Investing Activities:			
Increase in financial assets	(1)	(32)	(1,058)
Acquisitions of properties	(17)	(556)	(4,696)
Acquisitions of long-term stock investments	0	0	(40)
Proceeds from disposal of financial assets	14	448	1,679
Proceeds from disposal of properties	0	0	9
Proceeds from disposal of long-term stock investments	1	49	0
Return of capital of financial assets carried at cost	0	0	53
Decrease in pledged time deposit	(5)	(165)	0
Increase in deferred charges	(0)	(8)	(34)
Net Cash Used in Investing Activities	(8)	(263)	(4,089)
Cash Flows from Financing Activities:			
(Decrease) increase in guarantee deposits in	(0)	(16)	28
Remuneration to directors and supervisors	0	0	(39)
Cash dividends	(20)	(671)	(2,891)
Bonus to employees - in cash	0	0	(124)
Proceeds from exercise of employee stock options	0	5	20
Repurchase of treasury stocks	0	0	(675)
Net Cash Provided by (Used in) Financing Activities	(21)	(681)	(3,681)
Net Decrease in Cash and Cash Equivalents	80	2,632	(2,467)
Effect of Exchange Rate Changes		(4)	4
Cash and Cash Equivalents, Beginning of Period	129	4,273	6,737
Cash and Cash Equivalents, End of Period	209	6,901	4,273

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$33.074 per U.S. Dollar, the weighted average exchange rate for the twelve months of 2009.