



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of Jun 30, 2009 and March 31, 2009

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

ASSETS	June 30, 2009			March 31, 2009		QoQ	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash	130	4,277	18.9	3,738	17.1	538	14.4
Investments in Marketable Financial Instruments	5	179	0.8	182	0.8	(2)	(1.4)
Accounts Receivable	73	2,389	10.6	1,328	6.1	1,062	80.0
Inventories	42	1,373	6.1	1,399	6.4	(26)	(1.9)
Other Current Assets	17	552	2.4	635	2.9	(83)	(13.1)
Total Current Assets	267	8,770	38.8	7,283	33.3	1,488	20.4
Long Term Investment	18	577	2.5	543	2.5	34	6.2
Properties	1,798	58,995	260.7	58,929	269.3	66	0.1
Less: Accumulated Depreciation	(1,433)	(47,028)	(207.8)	(46,157)	(210.9)	(871)	1.9
Net Properties	365	11,967	52.9	12,772	58.4	(805)	(6.3)
Other Assets	40	1,316	5.8	1,286	5.9	30	2.3
Total Assets	690	22,630	100.0	21,883	100.0	747	3.4
LIABILITIES							
Accounts Payable & Other Current Liabilities	94	3,086	13.6	1,847	8.4	1,239	67.1
Other Long Term Liabilities	15	505	2.2	514	2.3	(9)	(1.7)
Total Liabilities	109	3,591	15.9	2,361	10.8	1,231	52.1
SHAREHOLDERS' EQUITY							
Capital Stock	511	16,775	74.1	16,775	76.7	0	0.0
Capital Surplus - Employee Stock Option	14	463	2.0	463	2.1	0	0.0
Capital Surplus - L/T Investment	2	69	0.3	69	0.3	0	0.3
Capital Surplus - Treasury Stock	1	32	0.1	32	0.1	0	0.0
Retained Earnings							
- Legal Reserve	48	1,585	7.0	1,481	6.8	104	7.0
- Special Reserve	8	277	1.2	0	0.0	277	100.0
- Previous Year	20	665	2.9	1,717	7.8	(1,052)	(61.3)
- Current Year	(21)	(682)	(3.0)	(832)	(3.8)	149	(18.0)
Unrealized Fair Value Adjustment	(3)	(108)	(0.5)	(155)	(0.7)	47	(30.4)
Cumulative Translation Adjustment	(1)	(38)	(0.2)	(29)	(0.1)	(9)	33.1
Total Shareholders' Equity	580	19,039	84.1	19,522	89.2	(484)	(2.5)
Total Liabilities & Shareholders' Equity	690	22,630	100.0	21,883	100.0	747	3.4

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$32.818 per U.S. Dollar as of Jun. 30, 2009.

* Certain account as of Mar. 31, 2009 has been reclassified to conform to the financial statements as of Jun. 30, 2009.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of June 30, 2009 and 2008

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

ASSETS	June 30, 2009			June 30, 2008		YoY	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash and Cash Equivalents	130	4,277	18.9	6,394	22.3	(2,117)	(33.1)
Investments in Marketable Financial Instruments	5	179	0.8	511	1.8	(332)	(64.9)
Accounts Receivable	73	2,389	10.6	2,681	9.4	(291)	(10.9)
Inventories	42	1,373	6.1	2,172	7.6	(799)	(36.8)
Other Current Assets	17	552	2.4	290	1.0	262	90.3
Total Current Assets	267	8,770	38.8	12,047	42.1	(3,276)	(27.2)
Long Term Investment	18	577	2.5	719	2.5	(142)	(19.8)
Properties	1,798	58,995	260.7	58,156	203.3	839	1.4
Less Accumulated Depreciation	(1,433)	(47,028)	(207.8)	(43,614)	(152.4)	(3,414)	7.8
Net Properties	365	11,967	52.9	14,542	50.8	(2,575)	(17.7)
Other Assets	40	1,316	5.8	1,305	4.6	11	0.9
Total Assets	690	22,630	100.0	28,612	100.0	(5,982)	(20.9)
LIABILITIES							
Accounts Payable & Other Current Liabilities	94	3,086	13.6	6,983	24.4	(3,897)	(55.8)
Other Long Term Liabilities	15	505	2.2	513	1.8	(8)	(1.6)
Total Liabilities	109	3,591	15.9	7,497	26.2	(3,905)	(52.1)
SHAREHOLDERS' EQUITY							
Capital Stock	511	16,775	74.1	17,016	59.5	(241)	(1.4)
Stock dividends for distribution	0	0	0.0	272	0.9	(272)	(100.0)
Capital Surplus - Employee Stock Options	14	463	2.0	472	1.7	(9)	(1.9)
Capital Surplus - L/T Investment	2	69	0.3	68	0.2	1	1.4
Capital Surplus - Treasury Stock	1	32	0.1	0	0.0	32	100.0
Retained Earnings							
- Legal Reserve	48	1,585	7.0	1,481	5.2	104	7.0
- Special Reserve	8	277	1.2	0	0.0	277	100.0
- Previous Year	20	665	2.9	860	3.0	(195)	(22.7)
- Current Year	(21)	(682)	(3.0)	1,242	4.3	(1,924)	(155.0)
Unrealized Fair Value Adjustment	(3)	(108)	(0.5)	(44)	(0.2)	(63)	142.3
Cumulative Translation Adjustment	(1)	(38)	(0.2)	(64)	(0.2)	26	(40.4)
Treasury Stock	0	0	0.0	(187)	(0.7)	187	(100.0)
Total Shareholders' Equity	580	19,039	84.1	21,115	73.8	(2,077)	(9.8)
Total Liabilities & Shareholders' Equity	690	22,630	100.0	28,612	100.0	(5,982)	(20.9)

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$32.818 per U.S. Dollar as of Jun. 30, 2009.

* Certain account as of Jun. 30, 2008 has been reclassified to conform to the financial statements as of Jun. 30, 2009.



Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Six Months Ended Jun 30, 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					
	2Q 2009		% of Sales	2Q 2008		YoY Inc(Dec) %	2Q 2009		% of Sales	1Q 2009	
	USD	NTD		NTD	NTD		USD	NTD		NTD	Inc(Dec) %
Net Sales	102	3,432	100.0	4,576	(25.0)	102	3,432	100.0	1,689	103.2	
Cost of Sales	(88)	(2,955)	(86.1)	(3,708)	(20.3)	(88)	(2,955)	(86.1)	(2,238)	32.0	
Gross Profit (Loss)	14	478	13.9	868	(44.9)	14	478	13.9	(549)	-	
Operating Expenses											
General and Administrative Expenses	(4)	(131)	(3.8)	(191)	(31.5)	(4)	(131)	(3.8)	(131)	(0.0)	
Selling and Marketing Expenses	(1)	(32)	(0.9)	(27)	19.0	(1)	(32)	(0.9)	(14)	135.6	
Research and Development Expenses	(6)	(191)	(5.6)	(198)	(3.6)	(6)	(191)	(5.6)	(152)	25.8	
Total Operating Expenses	(11)	(354)	(10.3)	(416)	(14.9)	(11)	(354)	(10.3)	(296)	19.5	
Income (Loss) From Operations	4	124	3.6	451	(72.6)	4	124	3.6	(845)	-	
Investment (Loss) Gain	(0)	(1)	(0.0)	3	-	(0)	(1)	(0.0)	(25)	(97.4)	
Net Other Non-operating Income	1	27	0.8	60	(56.1)	1	27	0.8	38	(31.0)	
Income (Loss) before Income Tax	4	150	4.4	515	(70.9)	4	150	4.4	(832)	-	
Income Tax Credit (Expenses)	(0)	(0)	(0.0)	(39)	(99.8)	(0)	(0)	(0.0)	0	(137.5)	
Net Income (Loss)	4	149	4.4	475	(68.6)	4	149	4.4	(832)	-	
Diluted Earnings Per Share (2)	0.003	0.09		0.27	(66.7)	0.003	0.09		(0.50)	-	
Weighted Average Outstanding Shares('M) (2)		1,677		1,746			1,677		1,677		

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD33.267 per U.S. dollar for the second quarter of 2009.

(2) Total weighted average outstanding shares were 1,677,486K shares for 2Q09, 1,745,820K shares for 2Q08 and 1,677,486K shares for 1Q09.



Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Six Months Ended Jun 30, 2009 and 2008

(Expressed in Millions New Taiwan Dollars (NTD) and U.S. Dollars (USD) ⁽¹⁾
Except for Per Share Amounts and Shares Outstanding)

	6 months ended Jun 30				
	2009		% of	2008	YoY
	USD	NTD	Sales	NTD	Inc(Dec) %
Net Sales	153	5,122	100.0%	9,102	(43.7)
Cost of Sales	(155)	(5,193)	-101.4%	(6,954)	(25.3)
Gross (Loss) Profit	(2)	(71)	-1.4%	2,148	-
Operating Expenses					
General and Administrative Expenses	(8)	(261)	-5.1%	(388)	(32.6)
Selling and Marketing Expenses	(1)	(46)	-0.9%	(64)	(28.5)
Research and Development Expenses	(10)	(343)	-6.7%	(384)	(10.6)
Total Operating Expenses	(19)	(651)	-12.7%	(836)	(22.2)
(Loss) Income From Operations	(22)	(722)	-14.1%	1,312	-
Investment Loss	(1)	(26)	-0.5%	(7)	290.5
Net Other Non-operating Income	2	65	1.3%	125	(48.0)
(Loss) Income before Income Tax	(20)	(682)	-13.3%	1,430	-
Income Tax Credit (Expenses)	0	0	0.0%	(189)	(100.1)
Net (Loss) Income	(20)	(682)	-13.3%	1,242	(155.0)
Diluted Earnings Per Share ⁽²⁾	(0.013)	(0.41)		0.71	-
Weighted Average Outstanding Shares('M) ⁽²⁾		1,677		1,746	

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD33.569 per U.S. dollar for the six months of 2009.

(2) Total weighted average outstanding shares were 1,677,486K for the six months ended Jun 30, 2009 and 1,745,820K shares for the six months ended Jun 30, 2008.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Six Months Ended Jun 30, 2009 and 2008
(Figures in Million of New Taiwan Dollars (NTD) and U.S. Dollars (USD))*

	6 MTHS 2009		6 MTHS 2008
	USD	NTD	NTD
Cash Flows from Operating Activities:			
Net (Loss) Income	(20)	(682)	1,242
Depreciation & Amortization	55	1,830	1,606
Investment loss recognized by equity method	1	22	17
Impairment loss on long-term stock investment	0	13	0
Loss (gain) on disposal of properties - net	0	6	(8)
Deferred income tax assets	(2)	(80)	32
Changes in working capital & others	(18)	(614)	206
Net Cash Provided by Operating Activities	15	494	3,095
Cash Flows from Investing Activities:			
Decrease in financial assets	0	0	73
Acquisitions of properties	(12)	(404)	(3,558)
Acquisitions of long-term stock investments	0	0	(17)
Proceeds from disposal of financial assets	0	0	198
Proceeds from disposal of properties	0	0	8
Return of capital of financial assets carried at cost	0	0	27
Increase in pledged time deposit	(2)	(75)	0
Increase in deferred charges	(0)	(3)	(16)
Increase in refundable deposits	0	1	(1)
Net Cash Used in Investing Activities	(14)	(481)	(3,287)
Cash Flows from Financing Activities:			
Increase (Decrease) in guarantee deposits in	(0)	(10)	29
Proceeds from exercise of employee stock options	0	0	20
Repurchase of treasury stocks	0	0	(187)
Net Cash Provided by (Used in) Financing Activities	(0)	(10)	(138)
Net Decrease in Cash and Cash Equivalents	0	4	(330)
Effect of Exchange Rate Changes	0	0	(13)
Cash and Cash Equivalents, Beginning of Period	127	4,273	6,737
Cash and Cash Equivalents, End of Period	127	4,277	6,394

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$33.569 per U.S. Dollar, the weighted average exchange rate for the six months of 2009.

*Certain account as for the six months of 2008 has been reclassified to conform to the financial statements as of 2009.