



Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Years Ended Dec. 31, 2010 and 2009

(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				
	2010			2009	YoY
	USD	NTD	% of Sales	NTD	Inc(Dec) %
Net Sales	505	16,034	100.0%	12,588	27.4
Cost of Sales	(403)	(12,790)	-79.8%	(11,345)	12.7
Gross Profit	102	3,244	20.2%	1,243	160.9
Operating Expenses					
General and Administrative Expenses	(20)	(648)	-4.0%	(549)	18.1
Selling and Marketing Expenses	(4)	(117)	-0.7%	(79)	48.3
Research and Development Expenses	(21)	(663)	-4.1%	(669)	(0.8)
Total Operating Expenses	(45)	(1,429)	-8.9%	(1,297)	10.2
Operating Income (Loss)	57	1,815	11.3%	(53)	-
Investment Gain	1	38	0.2%	73	(48.4)
Net Other Non-operating Income	6	190	1.2%	73	161.5
Income before Income Tax	64	2,043	12.7%	92	2,108.8
Income Tax Expenses	(3)	(91)	-0.6%	(3)	2,684.8
Net Income	61	1,952	12.2%	89	2,087.8
Diluted Earnings Per Share ⁽²⁾	0.037	1.16		0.05	2,220.0
Weighted Average Outstanding Shares('M) ⁽²⁾		1,688		1,683	

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD31.747 per U.S. dollar for the year ended 2009.

(2) Total weighted average outstanding shares were 1,688,106K for the year ended Dec. 31, 2010 and 1,683,326K shares for the year ended Dec. 31, 2009.



Vanguard International Semiconductor Corporation Consolidated Income Statements

For the Three Months Ended Dec. 31, 2010 and 2009

(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 2010		% of Sales	4Q 2009		YoY Inc(Dec) %	4Q 2010		3Q 2010		QoQ Inc(Dec) %
	USD	NTD		NTD	NTD		USD	NTD	NTD	NTD	
Net Sales	110	3,403	100.0	3,123	9.0	110	3,403	100.0	4,823	(29.4)	
Cost of Sales	(97)	(3,010)	(88.5)	(2,772)	8.6	(97)	(3,010)	(88.5)	(3,462)	(13.0)	
Gross Profit	13	393	11.5	352	11.7	13	393	11.5	1,361	(71.1)	
Operating Expenses											
General and Administrative Expenses	(5)	(154)	(4.5)	(144)	6.7	(5)	(154)	(4.5)	(176)	(12.2)	
Selling and Marketing Expenses	(1)	(18)	(0.5)	(8)	128.2	(1)	(18)	(0.5)	(27)	(32.3)	
Research and Development Expenses	(5)	(170)	(5.0)	(158)	7.5	(5)	(170)	(5.0)	(177)	(4.1)	
Total Operating Expenses	(11)	(342)	(10.1)	(310)	10.3	(11)	(342)	(10.1)	(380)	(9.8)	
Operating Income	2	51	1.5	41	22.9	2	51	1.5	982	(94.8)	
Investment (Loss) Gain	(0)	(6)	(0.2)	73	-	(0)	(6)	(0.2)	54	-	
Net Other Non-operating Income (Expenses)	6	182	5.4	(24)	-	6	182	5.4	(51)	-	
Income before Income Tax	7	227	6.7	91	150.8	7	227	6.7	984	(76.9)	
Income Tax Credit (Expenses)	3	86	2.5	(3)	-	3	86	2.5	(131)	-	
Net Income	10	313	9.2	87	257.8	10	313	9.2	852	(63.3)	
Diluted Earnings Per Share (2)	0.006	0.19		0.05	280.0	0.006	0.19		0.50	(62.0)	
Weighted Average Outstanding Shares('M) (2)		1,688		1,683			1,688		1,693		

Note: (1) New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD30.987 per U.S. dollar for the fourth quarter of 2010.

(2) Total weighted average outstanding shares were 1,688,106K shares for 4Q10, 1,683,326K shares for 4Q09 and 1,692,910K shares for 3Q10



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of Dec. 31, 2010 and 2009

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

ASSETS	Dec. 31, 2010			Dec. 31, 2009		YoY	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash and Cash Equivalents	274	8,322	34.5	6,901	30.9	1,420	20.6
Investments in Marketable Financial Instruments	3	97	0.4	287	1.3	(190)	(66.1)
Accounts Receivable	63	1,907	7.9	1,784	8.0	123	6.9
Inventories	53	1,615	6.7	1,134	5.1	482	42.5
Other Current Assets	17	516	2.1	326	1.5	191	58.6
Total Current Assets	410	12,457	51.6	10,432	46.7	2,026	19.4
Long Term Investment	14	411	1.7	338	1.5	73	21.7
Properties	2,022	61,409	254.5	58,810	263.3	2,599	4.4
Less Accumulated Depreciation	(1,682)	(51,085)	(211.7)	(48,544)	(217.3)	(2,541)	5.2
Net Properties	340	10,324	42.8	10,266	46.0	58	0.6
Other Assets	31	938	3.9	1,302	5.8	(365)	(28.0)
Total Assets	795	24,130	100.0	22,338	100.0	1,792	8.0
LIABILITIES							
Accounts Payable & Other Current Liabilities	93	2,817	11.7	1,836	8.2	981	53.4
Other Long Term Liabilities	16	498	2.1	505	2.3	(7)	(1.3)
Total Liabilities	109	3,316	13.7	2,341	10.5	974	41.6
SHAREHOLDERS' EQUITY							
Capital Stock	542	16,455	68.2	16,779	75.1	(324)	(1.9)
Capital Surplus - Employee Stock Options	15	459	1.9	465	2.1	(6)	(1.3)
Capital Surplus - L/T Investment	2	69	0.3	69	0.3	(0)	(0.2)
Capital Surplus - Treasury Stock	0	0	0.0	32	0.1	(32)	(100.0)
Retained Earnings							
- Legal Reserve	52	1,594	6.6	1,585	7.1	9	0.6
- Special Reserve	0	0	0.0	277	1.2	(277)	(100.0)
- Previous Year	9	285	1.2	665	3.0	(380)	(57.2)
- Current Year	64	1,952	8.1	89	0.4	1,863	2,087.8
Unrealized Fair Value Adjustment	2	57	0.2	80	0.4	(23)	(28.6)
Cumulative Translation Adjustment	(2)	(57)	(0.2)	(44)	(0.2)	(12)	28.3
Total Shareholders' Equity	685	20,814	86.3	19,997	89.5	818	4.1
Total Liabilities & Shareholders' Equity	795	24,130	100.0	22,338	100.0	1,792	8.0

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$30.368 per U.S. Dollar as of Dec. 31, 2010.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED BALANCE SHEETS

As of Dec. 31, 2010 and Sep. 30, 2010

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

ASSETS	Dec. 31, 2010			Sep 30, 2010		QoQ	
	USD	NTD	%	NTD	%	Move	Inc(Dec)%
Cash and Cash Equivalents	274	8,322	34.5	7,430	30.9	892	12.0
Investments in Marketable Financial Instruments	3	97	0.4	169	0.7	(72)	(42.6)
Accounts Receivable	63	1,907	7.9	2,949	12.3	(1,042)	(35.4)
Inventories	53	1,615	6.7	1,519	6.3	96	6.3
Other Current Assets	17	516	2.1	440	1.8	76	17.4
Total Current Assets	410	12,457	51.6	12,508	52.1	(50)	(0.4)
Long Term Investment	14	411	1.7	408	1.7	3	0.8
Properties	2,022	61,409	254.5	60,562	252.2	846	1.4
Less Accumulated Depreciation	(1,682)	(51,085)	(211.7)	(50,444)	(210.1)	(641)	1.3
Net Properties	340	10,324	42.8	10,118	42.1	206	2.0
Other Assets	31	938	3.9	978	4.1	(41)	(4.2)
Total Assets	795	24,130	100.0	24,012	100.0	118	0.5
LIABILITIES							
Accounts Payable & Other Current Liabilities	93	2,817	11.7	2,866	11.9	(49)	(1.7)
Other Long Term Liabilities	16	498	2.1	495	2.1	4	0.7
Total Liabilities	109	3,316	13.7	3,361	14.0	(45)	(1.3)
SHAREHOLDERS' EQUITY							
Capital Stock	542	16,455	68.2	16,623	69.2	(167)	(1.0)
Capital Surplus - Employee Stock Options	15	459	1.9	463	1.9	(4)	(1.0)
Capital Surplus - L/T Investment	2	69	0.3	69	0.3	(0)	(0.1)
Retained Earnings							
- Legal Reserve	52	1,594	6.6	1,594	6.6	0	0.0
- Previous Year	9	285	1.2	333	1.4	(49)	(14.6)
- Current Year	64	1,952	8.1	1,640	6.8	313	19.1
Unrealized Fair Value Adjustment	2	57	0.2	99	0.4	(42)	(42.2)
Cumulative Translation Adjustment	(2)	(57)	(0.2)	(49)	(0.2)	(7)	15.1
Treasury Stock	0	0	0.0	(120)	(0.5)	120	(100.0)
Total Shareholders' Equity	685	20,814	86.3	20,651	86.0	163	0.8
Total Liabilities & Shareholders' Equity	795	24,130	100.0	24,012	100.0	118	0.5

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$30.368 per U.S. Dollar as of Dec. 31, 2010.



VANGUARD INTERNATIONAL SEMICONDUCTOR CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended Dec. 31, 2010 and 2009
(Figures in Million of New Taiwan Dollars (NTD) and U.S. Dollars (USD))*

	2010		2009
	USD	NTD	NTD
Cash Flows from Operating Activities:			
Net Income	61	1,952	89
Depreciation & Amortization	93	2,955	3,555
Investment loss recognized by equity method	1	31	40
Gain on disposal of investments	(2)	(60)	(117)
Valuation Gain on financial instruments	(1)	(40)	0
Impairment loss	3	85	111
(Gain) loss on disposal of properties - net	(1)	(38)	6
Deferred income tax assets	0	5	(98)
Changes in working capital & others	(4)	(127)	(10)
Net Cash Provided by Operating Activities	150	4,763	3,577
Cash Flows from Investing Activities:			
Increase in financial assets	0	0	(32)
Acquisitions of properties	(76)	(2,413)	(556)
Acquisitions of long-term stock investments	(0)	(6)	0
Proceeds from disposal of financial assets	5	153	448
Proceeds from disposal of properties	1	46	0
Proceeds from disposal of long-term stock investments	0	0	49
Decrease(Increase) in pledged time deposit	0	9	(165)
Increase in deferred charges	(0)	(10)	(8)
Net Cash Used in Investing Activities	(70)	(2,220)	(263)
Cash Flows from Financing Activities:			
Decrease in guarantee deposits in	(0)	(12)	(16)
Cash dividends	(21)	(671)	(671)
Proceeds from exercise of employee stock options	0	16	5
Repurchase of treasury stocks	(14)	(444)	0
Net Cash Used in Financing Activities	(35)	(1,112)	(681)
Net Increase in Cash and Cash Equivalents	45	1,431	2,632
Effect of Exchange Rate Changes		(10)	(4)
Cash and Cash Equivalents, Beginning of Period	217	6,901	4,273
Cash and Cash Equivalents, End of Period	262	8,322	6,901

* New Taiwan Dollar amounts have been translated into U.S. Dollars at the rate of NT\$31.747 per U.S. Dollar, the weighted average exchange rate for the twelve months of 2010.