

FORMOSAN RUBBER GROUP INC.
STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007
(Expressed in Thousands of New Taiwan Dollars)

CODE	DESCRIPTION	2008		2007	
		AMOUNT	%	AMOUNT	%
4000	Operating revenue	\$ 618,979	100	\$ 324,083	100
4110	Sales	297,990		283,025	
4170	Less: Sales returns	(1,398)		(624)	
4190	Sales allowances	(2,600)		(1,270)	
4100	Net sales	293,992		281,131	
4330	Rental revenue	44,978		42,952	
4500	Construction revenue	280,009		—	
5000	Operating costs	371,633	60	260,412	80
5110	Cost of goods sold	272,355		243,471	
5300	Rental cost	16,561		16,941	
5500	Construction cost	82,717		—	
5910	Gross profit	247,346	40	63,671	20
6000	Operating expenses	70,876	11	44,358	14
6100	Selling expenses	30,278		11,869	
6200	General and administrative expenses	36,726		28,922	
6300	Research and development expenses	3,872		3,567	
6900	Operating income	176,470	29	19,313	6
7100	Nonoperating income and gains	138,514	22	11,154	3
7110	Interest income	1,531		335	
7121	Investment income on equity method	30,635		—	
7140	Gain on sale of investments	30,402		—	
7160	Exchange gain	—		4,209	
7310	Valuation gain on financial assets	71,336		—	
7480	Miscellaneous income	4,610		6,610	
7500	Nonoperating expenses and losses	11,613	2	108,850	33
7510	Interest expense	634		1,938	
7521	Investment loss on equity method	—		33,354	
7530	Loss on disposal of fixed assets	—		438	
7560	Exchange loss	10,261		—	
7640	Valuation loss on financial assets	—		72,323	
7880	Miscellaneous expenses	718		797	
7900	Income before income tax from continuing operations	303,371	49	(78,383)	(24)
8110	Income tax expense	(20,070)	(3)	—	
9600	Net income	\$ 283,301	46	\$ (78,383)	(24)
9750	Basic earnings per share	Before income tax	After income tax	Before income tax	After income tax
9750	Net income	\$ 0.58	\$ 0.54	\$ (0.15)	\$ (0.15)