

FORMOSAN RUBBER GROUP INC.
STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007
(Expressed in Thousands of New Taiwan Dollars)

CODE	DESCRIPTION	2008		2007	
		AMOUNT	%	AMOUNT	%
4000	Operating revenue	\$ 1,281,338	100	\$ 910,788	100
4110	Sales	623,069	49	599,541	66
4170	Less: Sales returns	(3,263)	-	(3,038)	-
4190	Sales allowances	(5,172)	(1)	(4,260)	(1)
4100	Net sales	614,634	48	592,243	65
4330	Rental revenue	92,575	7	85,061	9
4500	Construction revenue	574,129	45	233,484	26
5000	Operating costs	770,644	60	642,768	71
5110	Cost of goods sold	564,774	44	518,463	57
5300	Rental cost	34,323	3	34,551	4
5500	Construction cost	171,547	13	89,754	10
5910	Gross profit	510,694	40	268,020	29
6000	Operating expenses	140,386	11	109,884	12
6100	Selling expenses	63,215	5	40,870	4
6200	General and administrative expenses	69,713	5	61,321	7
6300	Research and development expenses	7,458	1	7,693	1
6900	Operating income	370,308	29	158,136	17
7100	Nonoperating income and gains	86,309	7	15,071	2
7110	Interest income	3,712	-	2,248	-
7121	Investment income on equity method	6,616	1	-	-
7122	Dividend income	5,902	-	223	-
7140	Gain on sale of investments	35,034	3	-	-
7160	Exchange gain	-	-	2,089	-
7310	Valuation gain on financial assets	27,308	2	-	-
7480	Miscellaneous income	7,737	1	10,511	2
7500	Nonoperating expenses and losses	12,905	1	65,197	7
7510	Interest expense	1,051	-	2,749	-
7521	Investment loss on equity method	-	-	24,871	3
7530	Loss on disposal of fixed assets	1,162	-	438	-
7550	Loss on physical inventory	3,130	-	3,010	1
7560	Exchange loss	5,564	1	-	-
7570	Provision for loss on inventories	-	-	1,996	-
7640	Valuation loss on financial assets	-	-	30,277	3
7880	Miscellaneous expenses	1,998	-	1,856	-
7900	Income before income tax from continuing operations	443,712	35	108,010	12
8110	Income tax expense	22,164	2	16,163	2
9600	Net income	\$ 421,548	33	\$ 91,847	10
9750	Basic earnings per share	Before income tax	After income tax	Before income tax	After income tax
9750	Net income	\$ 0.85	\$ 0.81	\$ 0.21	\$ 0.18