

Sunplus Technology Company Limited

**Financial Statements for the
Three Months Ended March 31, 2009 and 2008 and
Independent Accountants' Review Report**

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and the Shareholders
Sunplus Technology Company Limited

We have reviewed the accompanying balance sheets of Sunplus Technology Company Limited as of March 31, 2009 and 2008, and the related statements of income and cash flows for the three months then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our reviews.

Except as stated in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 - "Review of Financial Statements," issued by the Auditing Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As disclosed in Note 7 to the financial statements, the carrying values of equity-method investments as of March 31, 2009 and 2008 were NT\$7,118,058 thousand and NT\$7,516,415 thousand, respectively. As of March 31, 2009, there was a credit balance of NT\$416,712 thousand on the carrying value of the investment. For the three months ended March 31, 2009 and 2008, the related investment net losses were NT\$318,484 thousand and NT\$29,643 thousand, respectively. These investment-related amounts and other investee information disclosed in Note 26 to the financial statements was based on the investees' unreviewed financial statements for the same reporting periods as those of the Company.

Based on our reviews, except for the adjustments that might have been determined to be necessary had the equity-method investees' financial statements mentioned in the preceding paragraph been reviewed, we are not aware of any material modifications that should be made to the financial statements of Sunplus Technology Company Limited as of and for the three months ended March 31, 2009, and 2008 referred to in the first paragraph for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, requirements of the Business Accounting Law and Guidelines Governing Business Accounting relevant to financial accounting standards, and accounting principles generally accepted in the Republic of China.

As disclosed in Note 3 to the accompanying financial statements, the Company adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 10 - "Inventories" beginning January 1, 2009. In addition, the Accounting Research and Development Foundation issued Interpretation 2007-052, which requires companies to recognize bonuses paid to employees, directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings. The Company also adopted the newly released SFAS No. 39, "Share-based Payment" to account for employee stock options.

April 22, 2009

Notice to Readers

The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the accountants' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language accountants' report and financial statements shall prevail.

SUNPLUS TECHNOLOGY COMPANY LIMITED

BALANCE SHEETS

MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Par Value)

(Reviewed, Not Audited)

ASSETS	2009		2008		LIABILITIES AND SHAREHOLDERS' EQUITY	2009		2008	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash	\$ 1,870,283	14	\$ 311,666	2	Short-term loans (Note 13)	\$ -	-	\$ 456,000	3
Financial assets at fair value through profit or loss - current (Notes 2 and 4)	168,384	1	-	-	Accounts payable	354,435	2	625,904	4
Available-for-sale financial assets - current (Notes 2 and 8)	468,347	3	611,046	4	Income tax payable (Notes 2 and 19)	365,454	3	362,981	3
Accounts receivable, net (Notes 2, 5 and 22)	589,283	4	1,471,292	10	Long-term bank loans - current portion (Notes 14 and 23)	140,000	1	-	-
Other receivables (Note 22)	172,111	1	183,908	1	Deferred royalty income - current (Notes 2, 11 and 22)	10,608	-	18,473	-
Inventories (Notes 2, 3 and 6)	684,163	5	1,058,474	7	Deferred intercompany gain (Note 2)	-	-	736	-
Deferred income taxes - current (Notes 2 and 19)	110,700	1	149,882	1	Other current liabilities (Notes 2, 7 and 22)	<u>581,100</u>	<u>4</u>	<u>350,943</u>	<u>2</u>
Other current assets (Note 22)	<u>46,067</u>	<u>-</u>	<u>73,461</u>	<u>1</u>	Total current liabilities	<u>1,451,597</u>	<u>10</u>	<u>1,815,037</u>	<u>12</u>
Total current assets	<u>4,109,338</u>	<u>29</u>	<u>3,859,729</u>	<u>26</u>	LONG-TERM DEBT (Notes 14 and 23)	<u>1,680,000</u>	<u>12</u>	<u>-</u>	<u>-</u>
LONG-TERM INVESTMENTS					OTHER LIABILITIES				
Equity-method investments (Notes 2 and 7)	7,118,058	51	7,516,415	50	Deferred income - noncurrent (Notes 2, 11 and 22)	35,412	-	1,219	-
Financial assets at fair value through profit or loss - noncurrent (Notes 2 and 4)	-	-	152,325	1	Accrued pension liability (Notes 2 and 15)	59,507	1	62,237	1
Available-for-sale financial assets - noncurrent (Notes 2 and 8)	182,744	2	437,872	3	Guarantee deposits	<u>154,605</u>	<u>1</u>	<u>180,817</u>	<u>1</u>
Financial assets carried at cost (Notes 2 and 9)	<u>35,556</u>	<u>-</u>	<u>35,556</u>	<u>-</u>	Total other liabilities	<u>249,524</u>	<u>2</u>	<u>244,273</u>	<u>2</u>
Total long-term investments	<u>7,336,358</u>	<u>53</u>	<u>8,142,168</u>	<u>54</u>	Total liabilities	<u>3,381,121</u>	<u>24</u>	<u>2,059,310</u>	<u>14</u>
PROPERTIES (Notes 2 and 10)					SHAREHOLDERS' EQUITY (Notes 2, 16 and 17)				
Cost					Capital stock - NT\$10.00 par value				
Buildings	724,275	5	688,983	5	Authorized - 1,200,000 thousand shares				
Auxiliary equipment	184,963	1	180,239	1	Issued - 596,910 thousand shares in 2009 and 556,893 thousand shares in 2008	5,969,099	43	5,568,931	37
Machinery and equipment	414,508	3	378,667	3	Capital surplus				
Testing equipment	373,741	3	346,221	2	Additional paid-in capital- share issuance in excess of par	709,215	5	821,006	6
Transportation equipment	2,463	-	5,573	-	Treasury stock transactions	15,040	-	60,171	-
Furniture and fixtures	122,531	1	125,663	1	Merger and others	768,950	6	913,911	6
Leasehold improvements	459	-	459	-	Retained earnings				
Total cost	<u>1,822,940</u>	<u>13</u>	<u>1,725,805</u>	<u>12</u>	Legal reserve	2,333,642	17	2,127,492	14
Less: Accumulated depreciation	<u>984,627</u>	<u>7</u>	<u>855,344</u>	<u>6</u>	Special reserve	-	-	17,260	-
Net properties	<u>838,313</u>	<u>6</u>	<u>870,461</u>	<u>6</u>	Unappropriated earnings	1,101,800	8	3,571,130	24
INTANGIBLE ASSETS, NET (Notes 2 and 11)	<u>487,806</u>	<u>4</u>	<u>731,565</u>	<u>5</u>	Other				
OTHER ASSETS					Cumulative translation adjustments	178,343	1	(1,505)	-
Assets leased to others, net (Notes 2 and 22)	218,935	2	255,334	2	Unrealized loss on financial assets	(452,126)	(3)	(47,495)	-
Deferred charges and others (Notes 2 and 12)	213,755	1	270,079	2	Treasury stock (at cost) - 3,560 thousand shares in 2009 and 4,683 thousand shares in 2008	<u>(63,401)</u>	<u>(1)</u>	<u>(131,471)</u>	<u>(1)</u>
Deferred income taxes - noncurrent (Notes 2 and 19)	<u>737,178</u>	<u>5</u>	<u>829,404</u>	<u>5</u>	Total shareholders' equity	<u>10,560,562</u>	<u>76</u>	<u>12,899,430</u>	<u>86</u>
Total other assets	<u>1,169,868</u>	<u>8</u>	<u>1,354,817</u>	<u>9</u>					
TOTAL	<u>\$ 13,941,683</u>	<u>100</u>	<u>\$ 14,958,740</u>	<u>100</u>	TOTAL	<u>\$ 13,941,683</u>	<u>100</u>	<u>\$ 14,958,740</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche review report dated April 22, 2009)

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Amount	%	Amount	%
GROSS SALES	\$ 1,025,906		\$ 1,708,476	
SALES RETURNS AND ALLOWANCES	<u>96,788</u>		<u>56,677</u>	
NET SALES (Notes 2, 11 and 22)	929,118	100	1,651,799	100
COST OF SALES (Notes 2, 3, 6 and 18)	684,629	74	1,074,608	65
REALIZED INTERCOMPANY GAIN, NET (Note 2)	<u>2,675</u>	<u>-</u>	<u>275</u>	<u>-</u>
GROSS PROFIT	<u>247,164</u>	<u>26</u>	<u>577,466</u>	<u>35</u>
OPERATING EXPENSES (Notes 18 and 22)				
Marketing	59,923	6	43,685	3
General and administrative	53,838	6	71,541	4
Research and development	<u>286,215</u>	<u>31</u>	<u>449,559</u>	<u>27</u>
Total operating expenses	<u>399,976</u>	<u>43</u>	<u>564,785</u>	<u>34</u>
OPERATING INCOME (LOSS)	<u>(152,812)</u>	<u>(17)</u>	<u>12,681</u>	<u>1</u>
NONOPERATING INCOME AND GAINS				
Revenue from administrative and support service (Note 22)	23,518	2	33,534	2
Gain on disposal of investments, net (Note 2)	11,102	1	2,557	-
Rental revenue (Note 22)	8,207	1	9,837	1
Valuation gain on financial assets, net (Notes 2 and 4)	6,262	1	14,787	1
Foreign exchange gain, net (Note 2)	5,316	1	-	-
Reconciliation compensation (Note 25)	3,507	-	33,852	2
Interest income	488	-	2,894	-
Guarantee deposits default	-	-	53,113	3
Others (Notes 2 and 22)	<u>5,121</u>	<u>1</u>	<u>9,371</u>	<u>1</u>
Total nonoperating income and gains	<u>63,521</u>	<u>7</u>	<u>159,945</u>	<u>10</u>

(Continued)

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Amount	%	Amount	%
NONOPERATING EXPENSES AND LOSSES				
Investment loss recognized by the equity-method, net (Notes 2 and 7)	\$ 318,484	34	\$ 29,643	2
Interest expense	4,887	1	9,603	1
Foreign exchange loss, net (Note 2)	-	-	47,433	3
Others (Note 2)	<u>1,342</u>	<u>-</u>	<u>2,187</u>	<u>-</u>
Total nonoperating expenses and losses	<u>324,713</u>	<u>35</u>	<u>88,866</u>	<u>6</u>
INCOME (LOSS) BEFORE INCOME TAX	(414,004)	(45)	83,760	5
INCOME TAX EXPENSE (Notes 2 and 19)	<u>75,188</u>	<u>8</u>	<u>12,500</u>	<u>1</u>
NET INCOME (LOSS)	<u>\$ (489,192)</u>	<u>(53)</u>	<u>\$ 71,260</u>	<u>4</u>

	2009		2008	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS (LOSS) PER SHARE (Note 20)				
Basic	\$ (0.70)	\$ (0.82)	\$ 0.14	\$ 0.12
Diluted	<u>\$ (0.70)</u>	<u>\$ (0.82)</u>	<u>\$ 0.14</u>	<u>\$ 0.12</u>

The pro forma net income (loss) and earnings per share (EPS) on the assumption that the Company's stock held by its subsidiary is treated as an investment instead of treasury stock are shown as follows (Note 17):

	2009		2008	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
NET INCOME (LOSS)	<u>\$ (414,004)</u>	<u>\$ (489,192)</u>	<u>\$ 83,760</u>	<u>\$ 71,260</u>

BASIC EPS

Based on weighted-average shares

Outstanding - 597,499 thousand shares
in 2009 and 596,813 thousand shares
in 2008

	<u>\$ (0.69)</u>	<u>\$ (0.82)</u>	<u>\$ 0.14</u>	<u>\$ 0.12</u>
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SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
DILUTED EPS				
Based on weighted-average shares				
Outstanding - 597,499 thousand shares				
in 2009 and 596,819 thousand shares				
in 2008	<u>\$(0.69)</u>	<u>\$(0.82)</u>	<u>\$0.14</u>	<u>\$0.12</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche review report dated April 22, 2009)

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (489,192)	\$ 71,260
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	151,819	222,554
Valuation gain on financial assets	(6,262)	(14,787)
Gain on sale of investments, net	(11,102)	(2,557)
Investment loss recognized by equity-method	318,484	29,643
Valuation gain on financial liabilities	-	(2,222)
Loss (gain) on disposal of properties and deferred charges	(5)	54
Unrealized intercompany gain, net	(2,675)	(275)
Realized royalty income	(1,728)	(5,543)
Deferred income taxes	75,188	12,500
Accrued pension liabilities	(888)	(712)
Net changes in operating assets and liabilities		
Accounts receivable	(112,996)	42,160
Other receivables	(20,221)	(18,057)
Inventories	212,586	45,527
Other current assets	(5,211)	(3,341)
Accounts payable	47,225	(328,980)
Other current liabilities	<u>(88,063)</u>	<u>(159,018)</u>
Net cash provided by (used in) operating activities	<u>66,959</u>	<u>(111,794)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of the:		
Disposal of financial assets at fair value through profit or loss	-	30,840
Disposal of available-for-sale financial assets	179,134	1,193,462
Disposal of equity-method investments	5,940	-
Disposal of properties and deferred charges	61	28
Return of capital by investee	8,512	-
Acquisition of:		
Available-for-sale financial assets	(456,000)	(1,166,000)
Equity method investment	-	(159,180)
Properties	(5,942)	(21,744)
Increase in intangible assets	(3,568)	(9,664)
Increase in deferred charges and others	<u>(14,822)</u>	<u>(20,026)</u>
Net cash used in investing activities	<u>(286,685)</u>	<u>(152,284)</u>

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SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	\$ (647,600)	\$ (44,000)
Increase in long-term debt	1,820,000	-
Increase (decrease) in guarantee deposits	3,552	(66,206)
Proceeds of the exercise of stock options	<u>-</u>	<u>4,665</u>
Net cash provided by (used in) financing activities	<u>1,175,952</u>	<u>(105,541)</u>
NET INCREASE (DECREASE) IN CASH	956,226	(369,619)
CASH, BEGINNING OF PERIOD	<u>914,057</u>	<u>681,285</u>
CASH, END OF PERIOD	<u>\$ 1,870,283</u>	<u>\$ 311,666</u>
SUPPLEMENTARY CASH FLOW INFORMATION:		
Interest paid	<u>\$ 6,308</u>	<u>\$ 9,603</u>
Income tax paid	<u>\$ -</u>	<u>\$ 214</u>
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Reclassification of other current liabilities into long-term investment	<u>\$ -</u>	<u>\$ 103,081</u>
Reclassification of credit balance of long-term investment into other current liabilities	<u>\$ 275,601</u>	<u>\$ -</u>
Reclassification of properties into deferred charges and others	<u>\$ -</u>	<u>\$ 40,779</u>
Reclassification of assets leased to others into properties	<u>\$ 30,843</u>	<u>\$ -</u>
PARTIAL CASH INVESTING AND FINANCING ACTIVITIES:		
Acquisition of properties	\$ 855	\$ 5,848
Decrease in payables to contractors and equipment suppliers	5,087	15,896
Cash paid	<u>\$ 5,942</u>	<u>\$ 21,744</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche review report dated April 22, 2009)

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

(Reviewed, Not Audited)

1. ORGANIZATION AND OPERATIONS

Sunplus Technology Company Limited (the “Company”) was established in August 1990 and moved into the Hsinchu Science-Based Industrial Park in October 1993. It researches, develops, designs, tests, and sells high-quality, high value-added consumer integrated circuits (ICs). Its products are based on core technology in such areas as multimedia audio/video, single-chip microcontroller and digital signal processor. These technologies are used to develop hundreds of products including various ICs: Liquid crystal display, microcontroller, multimedia and application specific.

The Company’s shares have been listed on the Taiwan Stock Exchange since January 2000. Some of the Company’s shares have been issued in the form of Global Depository Receipts (GDRs), which have been listed on the London Stock Exchange since March 2001 (refer to Note 16).

As of March 31, 2009 and 2008, the Company had 570 and 571 employees, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, the Business Accounting Law, Guidelines Governing Business Accounting and accounting principles generally accepted in the Republic of China (ROC). Under these guidelines and principles, the Company is required to make certain estimates and assumptions that could affect the amounts of allowance for doubtful accounts, allowance for sales returns and discounts, allowance for inventory devaluation, property depreciation, amortization of intangible assets, and deferred charges impairment loss on assets and pension expenses. Actual results could differ from these estimates.

The Company’s significant accounting policies are summarized as follows:

Current/Noncurrent Assets and Liabilities

Current assets are cash (unrestricted) and other assets primarily held for trading purposes or to be converted to cash, consumed or sold within one year from the balance sheet date. Current liabilities are those to be settled within one year from the balance sheet date and those held primarily for trading purposes. All other assets and liabilities are classified as noncurrent.

Financial Assets/Liabilities at Fair Value Through Profit or Loss

Financial instruments at fair value through profit or loss have two categories: (1) held for trading and (2) designated on initial recognition as at fair value through profit or loss. These financial instruments are initially recorded at fair value with transaction costs that are directly attributable to the acquisition. When financial instruments are subsequently measured at fair value, the changes in fair value are recognized as earnings. A regular way purchase or sale of financial assets is recognized and derecognized using trade date accounting.

Derivatives that do not meet the criteria for hedge accounting are treated as financial assets or liabilities held for trading. When the fair value is positive, the derivative is treated as a financial asset; when the fair value is negative, the derivative is treated as a financial liability.

The fair values of those instruments without quoted market prices in an active market are based on valuation techniques incorporating estimates and assumptions that are consistent with prevailing market conditions.

Hybrid instruments are designated at fair value through profit or loss.

Available-for-sale Financial Assets

Investments designated as available-for-sale financial assets include open-end mutual funds and listed stock. Investments classified as available-for-sale financial assets are initially recognized at fair value plus transaction costs that are directly attributed to investment acquisition. When available-for-sale financial assets subsequently measured at fair value, the changes in fair value are reported as a separate component of shareholders' equity. The accumulated gains or losses are recognized when the financial asset is derecognized from the balance sheet. A regular way purchase or sale of financial assets is recognized and derecognized using trade date accounting.

The recognition, derecognition and the fair value bases of available-for-sale financial assets are similar to those of financial assets at FVTPL.

Cash dividends are recognized as investment income upon resolution of the shareholders of an investee but are accounted for as reductions of the original investment cost if these dividends are declared on the earnings of the investees attributable to periods before the purchase of the investments. Stock dividends received are recorded as an increase in the number of shares held and do not affect investment income. The cost per share is recalculated on the basis of the new number of shares after the receipt of stock dividends.

The fair values of open-end mutual funds are based on their net asset value at the balance sheet date; listed stock is the closing price as of the balance sheet date.

If there is objective evidence that a financial asset is impaired as of the balance sheet date, a loss is recognized. If the impairment loss decreases, the impairment loss is reversed to the extent of the decrease and recorded as an adjustment to shareholders' equity.

Revenue Recognition, Accounts Receivable and Allowance for Doubtful Accounts

Sales are recognized when titles to products and risks of ownerships are transferred to customers, primarily upon shipment, since the earnings process is substantially completed and revenue is realized or realizable. The Company does not recognize sales upon delivery of materials to subcontractors because the ownership over the materials is not transferred.

An allowance is provided for any sales returns and discounts, which are estimated on the basis of historical experience and any known factors that would affect the allowance. Such provisions are deducted from sales in the year the products are sold.

Sales are determined at fair market value, taking into account related sales discounts agreed to by the Company and its customers. Since the receivables from sales are collectible within one year and sales transactions are frequent, the fair value of receivables equals to the nominal amount of cash to be received.

An allowance for doubtful accounts is provided on the basis of a review of the collectibility of accounts receivable. The Company assesses the probability of collections of accounts receivable by examining the aging analysis of the outstanding receivables and assessing the value of the collateral provided by customers.

Inventories

Inventories consist of raw materials, work-in-process, finished goods and merchandise. Prior to January 1, 2009, inventories were stated at the lower of cost or market value. Any write-down was made on a total-inventory basis. Market value represented replacement cost for raw materials, and net realizable value for work in process and finished goods. As stated in Note 3, effective January 1, 2009, inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made on an item-by-item basis, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and necessary selling costs. Inventories are recorded at standard costs and adjusted to approximate weighted-average cost at the end of the period.

Financial Assets Carried at Cost

Investments without quoted market prices in an active market and whose fair value cannot be reliably measured, such as nonpublicly traded stocks, are carried at their original cost. The accounting treatment for cash and stock dividends arising from financial assets carried at cost is the same as that for available-for-sale financial assets.

If there is objective evidence of financial asset impairment, a loss is recognized. This impairment loss is irreversible.

Equity-method Investments

Investments in share of stock of companies in which the Company owns at least 20% of the outstanding voting shares or exercises significant influence on their operating and financial policy decisions are accounted for by the equity method. Pursuant to the revised Statement of Financial Accounting Standards, the cost of an investment shall be analyzed and the cost of investment in excess of the fair value of identifiable net assets acquired, representing goodwill, shall not be amortized and instead shall be tested for impairment annually.

If the recognized carrying value of the investment plus any advances to the investee are reduced to zero, the Company will discontinue recognizing its investment loss. But if the Company (a) guarantees the investee's obligations of an investee or commits to provide financial support to an investee or (b) if the investee's losses are temporary and evidence sufficiently shows imminent return to profitability, the Company will continue to recognize its investment loss. This credit balance on the carrying value of a long-term investment and advances are credited to other current liabilities in the balance sheets.

On the balance sheet date, the Company evaluates investments for any impairment. An impairment loss is recognized and charged to current income if the investment carrying amount as of the balance sheet date exceeds the expected recoverable amount. For those investees over which the Company has significant influence, the assessment of impairment is based on carrying value. For those investees over which the Company holds a controlling interest, the assessment of impairment is based on an estimation of the value in use of the cash-generating units of the consolidated investees.

Cash dividends are recognized on the ex-dividend date, which are treated as a reduction of investment cost. Stock dividends are not recognized as an increase in investment but are recorded as an increase in the number of shares.

If an investee issues additional shares and the Company subscribes for these shares at a percentage different from its current equity, the resulting increase is credited to capital surplus. If a decrease results, the decrease is debited to capital surplus. But if capital surplus is not enough for debiting purposes, the decrease is debited to unappropriated retained earnings.

Profits from downstream transactions with an equity-method investee are eliminated in proportion to the Company's percentage of ownership in the investee; however, if the Company has control over the investee, all the profits are eliminated. Profits from upstream transactions with an equity-method investee are eliminated in proportion to the Company's percentage of weighted-average ownership in the investee. For those investees over which the Company holds a controlling interest, gains or losses on sales between equity method investees are deferred in proportion to the Company's percentage of weighted-average ownership in the investee. For those investees over which the Company does not hold a controlling interest, gains or losses on sales between equity method investees are deferred in proportion of the Company's percentage of multiplication of weighted-average ownership in the investees. All of these deferred gains and losses are realized upon resale of products to third parties.

Properties and Rental Assets

Properties and rental assets are stated at cost less accumulated depreciation. Major additions, renewals and betterments are capitalized, while maintenance and repairs are expensed in the period incurred.

On the balance sheet date, the Company evaluates properties and rental assets for any impairment. If impairment is identified, the Company will determine the recoverable amount of the assets. The carrying amount in excess of the expected recoverable amount is recognized as impairment loss and charged to current income. If the recoverable amount increases, the subsequent reversal of impairment loss will be recognized as gain. However, the increased carrying amount of an asset due to a reversal of impairment loss should not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

Depreciation is computed using the straight-line method over service lives initially estimated as follows: buildings - 7 to 55 years; auxiliary equipment - 3 to 10 years; machinery and equipment - 4 to 5 years; testing equipment - 2 to 4 years; transportation equipment - 4 to 6 years; furniture and fixtures - 2 to 11 years; leasehold improvements - 3 years; and rental assets - 7 to 55 years.

Properties and rental assets still in use beyond their initially estimated service lives are depreciated over their newly estimated service lives. Upon the sale or disposal of properties and rental assets, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is credited or charged to current income.

Intangible Assets

Intangible assets consist of technology license fees and patents, which are booked at the acquisition cost and amortized using the straight-line method over 1 to 15 years and 5 to 18 years, respectively.

Expenditures arising from research activities and those related to development activities that do not meet the criteria for capitalization are charged to expense when incurred.

On the balance sheet date, the Company evaluates intangible assets for any impairment. If impairment is identified, the Company will evaluate the recoverable amount of such assets. The carrying amount in excess of the expected recoverable amount is recognized as impairment loss and charged to current income. If the recoverable amount increases in the future, the subsequent reversal of impairment loss will be recognized as a gain. However, the increased carrying amount of an asset due to a reversal of impairment loss should not exceed the carrying amount that would have been determined (net of amortization), had no impairment loss been recognized for the asset in prior years.

Deferred Charges

Deferred charges are mainly costs of software and system design, which are booked at the installation or acquisition cost. The amounts are amortized over 1 to 5 years, using the straight-line method.

Please refer to the proceeding accounting policy on intangible assets for accounting for impairment of deferred charges.

Pension Costs

The Company has two types of pension plans: Defined benefit and defined contribution.

Under the defined benefit pension plans, pension costs are recorded on the basis of actuarial calculations. For employees under the defined contribution pension plans, pension costs are recorded on the basis of the Company's required monthly contributions to employees' personal pension accounts over the employees' service periods.

Stock-based Compensation

Employee stock options granted on or after January 1, 2008 are accounted for under Statement of Financial Accounting Standards ("Statement" or SFAS) No. 39 - "Share-based Payment." Under the statement, the value of the stock options granted, which is equal to the best available estimate of the number of stock options expected to vest multiplied by the grant-date fair value, is expensed on a straight-line basis over the vesting period, with a corresponding adjustment to capital surplus - employee stock options. The estimate is revised if subsequent information indicates that the number of stock options expected to vest differs from previous estimates.

Employee stock options granted between January 1, 2004 and December 31, 2007 were accounted for under the interpretations issued by the Accounting Research and Development Foundation (ARDF). The Company adopted the intrinsic value method, under which compensation cost was recognized on a straight-line basis over the vesting period.

Treasury Stock

The reacquisition of issued stock is accounted for by the cost method. Under this method, the reacquisition cost is debited to the treasury stock account. Treasury stock is shown as a deduction to arrive at shareholders' equity. The Company accounts for its stock held by its subsidiaries as treasury stock. The recorded cost of these treasury stocks is based on the carrying value of the investments as shown in the subsidiaries' book. The resulting gain on investment from cash dividends appropriated to subsidiaries is credited to capital surplus.

When the treasury shares are retired, the capital stock and paid-in capital based on the existing equity are debited. If the treasury shares are retired at a price lower than its par value and the Company paid-in capital, the deficiency is credited to paid-in capital from treasury stock. If the treasury shares are retired at a price in excess of its par value and paid-in capital, the excess is debited to paid-in capital from treasury stock. If the balance in paid-in capital from treasury stock is insufficient to absorb the deficiency, the remainder is recorded as a reduction of retained earnings.

Bonuses to Employees, Directors and Supervisors

The ARDF issued an interpretation that requires companies to recognize as compensation expenses bonuses paid to employees, directors and supervisors beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings.

Income Tax

The Company applies the intra-period and inter-period tax allocations method. Under these methods, deferred income taxes are recognized for the tax effects of deductible temporary differences, loss carryforwards and unused tax credits. A valuation allowance is recognized if it is more likely than not that some portion or all of the deferred tax asset will not be realized. A deferred tax asset or liability is classified as current or noncurrent according to the classification of the related asset or liability. If a deferred tax asset or liability cannot be related to an asset or liability in the financial statements, it is classified as current or noncurrent based on the basis of the expected realization date.

Tax credits for certain purchases of machinery, equipment and technology, research and development expenditures and personnel training are recognized in the current period.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax expense.

Income tax (10%) on unappropriated earnings generated annually since 1998 is recorded as expense in the year when the shareholders approve the retention of earnings.

The Company adopt consolidation income tax filing with Sunplus mMobile Inc. The income taxes payable differences between consolidated and the sum of individual are adjusted in the Company's account receivable or account payable.

Foreign-currency Transactions

Nonderivative foreign-currency transactions are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Exchange differences arising from settlement of foreign-currency assets and liabilities are recognized in profit or loss.

At the balance sheet date, foreign-currency monetary assets and liabilities are revalued using prevailing exchange rates and the exchange differences are recognized in profit or loss.

At the balance sheet date, foreign-currency nonmonetary assets (such as equity instruments) and liabilities that are measured at fair value are revalued using prevailing exchange rates, with the exchange differences treated as follows:

- a. Recognized in shareholders' equity if the changes in fair value are recognized in shareholders' equity;
- b. Recognized in profit and loss if the changes in fair value is recognized in profit or loss.

Foreign-currency nonmonetary assets and liabilities that are carried at cost continue to be stated at exchange rates at trade dates.

If the functional currency of an equity-method investee is a foreign currency, translation adjustments will result from the translation of the investee's financial statements into the reporting currency of the Company. Such adjustments are accumulated and reported as a separate component of shareholders' equity.

Reclassifications

Certain accounts in the financial statements as of and for the three months ended March 31, 2008 have been reclassified to conform to the presentation of financial statements as of and for the three months ended March 31, 2009.

3. ACCOUNTING CHANGES

a. Accounting for Employee Stock Options

On January 1, 2008, the Company adopted the newly released SFAS No. 39, "Accounting for Share-based Payment" to account for employee stock options. The accounting changes had no impact on the Company's net income and basic and diluted earnings per share for the three month ended March 31, 2008.

b. Accounting for Inventories

Effective January 1, 2009, the Company adopted the newly revised SFAS No. 10, "Accounting for Inventories." The main revisions are (1) inventories are stated at the lower of cost or net realizable value, and inventories are written down to net realizable value item-by-item except when the grouping of similar or related items is appropriate; (2) unallocated overheads are recognized as cost of sales in the period in which they are incurred; and (3) abnormal cost, write-downs of inventories and any reversal of write-downs are recorded as cost of sales for the period. The adoption resulted in increase of NT\$35,213 thousand in net loss and increase of NT\$0.06 in net loss per share for the three months ended March 31, 2009. The Company also reclassified the non-operating loss and income of \$30,000 thousand and \$6,788 thousand, respectively, to the cost of goods sold for the three months ended March 31, 2008.

4. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company didn't enter into derivative contracts during the three months ended March 31, 2009. The Company entered into derivative contracts during the three months ended March 31, 2008 to hedge the effect of exchange rate fluctuations on net foreign currency-denominated assets and liabilities. The strategy is to hedge most of the market price risks to which the Company is exposed.

The company did not have outstanding forward exchange contracts during the three months ended March 31, 2008.

Net gain arising from financial assets held for trading were \$2,222 thousand for the three months ended March 31, 2008.

Other information on the financial instruments designated at fair value through profit or loss is as follows:

	Principal Amount (in Thousands)	Carrying Amount	Maturity
<u>March 31, 2009</u>			
Inverse floaters: Time deposits with floating interest rate indexed to LIBOR rates	<u>\$ 5,000</u>	<u>\$ 168,384</u>	April 2014 (Note)
<u>March 31, 2008</u>			
Inverse floaters: Time deposits with floating interest rate indexed to LIBOR rates	<u>\$ 5,000</u>	<u>\$ 152,325</u>	April 2014

Note: Time deposit with floating interest rate indexed to LIBOR rates holding by the Company is expected to redeem by issuer within one year after the balanced sheet date, so it has been reclassified into current assets.

Net gains arising from financial assets designated at fair value through profit or loss were \$6,262 thousand and \$15,488 thousand for the three months ended March 31, 2009 and 2008, respectively.

As a holder of the above products, the Company will lose part of the principals if it breaks the related contracts before maturity, as stipulated in the principal and profit guarantee terms of the contracts.

5. ACCOUNTS RECEIVABLE

	March 31	
	2009	2008
Accounts receivable - other	\$ 660,899	\$ 1,476,909
Accounts receivable - related parties	<u>20,296</u>	<u>72,576</u>
	681,195	1,549,485
Deduct: Allowance for doubtful accounts	56,912	78,193
Deduct: Allowance for sales returns and discounts	<u>35,000</u>	<u>-</u>
	<u>\$ 589,283</u>	<u>\$ 1,471,292</u>

6. INVENTORIES

	March 31	
	2009	2008
Finished goods and merchandise	\$ 203,273	\$ 510,986
Work-in-process	320,635	388,832
Raw materials	<u>160,255</u>	<u>158,656</u>
	<u>\$ 684,163</u>	<u>\$ 1,058,474</u>

As of March 31, 2009 and 2008, the allowance for losses were \$144,324 thousand and \$132,222 thousand, respectively.

As of March 31, 2009 and 2008, the cost of goods sold related to inventories were \$684,629 thousand and \$1,074,608 thousand, respectively, which includes allowance for losses \$45,000 thousand and \$30,000 thousand and income from scrap sales \$2,847 thousand and \$6,788 thousand for the three month ended March 31, 2009 and 2008, respectively.

7. EQUITY-METHOD INVESTMENTS

	March 31			
	2009		2008	
	Amount	% of Owner- ship	Amount	% of Owner- ship
Giantplus Technology Co., Ltd.	\$ 1,767,470	21	\$ 1,955,112	21
ORISE Company	1,261,706	54	1,257,650	57
Sunplus Venture Capital Co., Ltd.	670,218	100	733,944	100
Lin Shih Investment Co., Ltd.	641,363	100	730,646	100
Sunplus mMedia	546,744	78	-	-
Generaplus Technology Corp.	470,205	41	460,818	45
Ventureplus Group Inc.	468,270	100	428,269	100
Russell Holdings Limited	411,787	100	602,233	100
Sunplus Innovation Technology Inc.	397,606	84	368,512	91
Sunext Technology Co., Ltd.	322,995	79	157,531	72
HT mMobile Inc.	115,850	91	-	-
Waveplus Technology Co., Ltd.	18,161	41	24,450	43
Global Techplus Capital Inc.	8,118	100	7,384	100
Wei-Young Investment Inc.	6,547	100	11,268	100
Sunplus Technology (H.K.) Co., Ltd.	6,276	100	4,729	100
Sunplus Management Consulting Inc.	4,178	100	4,191	100
Sunplus Core Technology Co., Ltd.	564	57	30,247	47
Sunplus mMobile Inc.	-	-	720,116	91
Goldkey Technology Corp.	-	-	19,315	12
	<u>\$ 7,118,058</u>		<u>\$ 7,516,415</u>	
Credit balance on carrying value of long-term investments (recorded as other current liabilities)				
Sunplus mMobile Inc.	<u>\$ 416,712</u>	91	<u>\$ -</u>	

As of March 31, 2008, the Company and its subsidiaries collectively owned 24% of Goldkey Technology Corp., Ltd. Thus, the investments were accounted for by the equity method. In March 2009, the Company and its subsidiaries sold the shares of Goldkey Technology Corp., Ltd.

Movements of the difference between the cost of investment and the Company's share in investees' net assets allocated to goodwill for the three months ended March 31, 2009 were as follows:

	March 31, 2009		
	Balance, Beginning of Period	Increase	Balance, End of Period
Goodwill	<u>\$ 155,506</u>	<u>\$ -</u>	<u>\$ 155,506</u>

The Company obtained shares of Sunplus mMedia Inc. in November 2008 in which Sunplus mMobile Inc. had invested by equity method.

In their meeting on March 10, 2009, the shareholder's meeting of Sunplus mMobile (SmM) approved the spin-off of its communication business unit (BU) by decreasing SmM's capital to establish HT mMobile Inc. ("HT mMobile"). The carrying value of this BU was \$189,867 thousand. SmM's shareholders of Sunplus mMobile will own HT mMobile in the same proportion of their ownership of SmM. Thus, the company obtained 91% of HT mMobile on March 31, 2009.

The carrying value of the investments accounted for by the equity-method and the related investment incomes (losses) were based on the investees' unreviewed financial statements for the same reporting periods as those of the Company. The Company's management believed that these unreviewed financial statements of investees would have no material effects on the Company's financial statements. The investment incomes (losses) of investees were as follows:

	Three Months Ended	
	March 31	
	2009	2008
Giantplus Technology Co., Ltd.	\$ (103,734)	\$ 44,320
ORISE Company	17,755	37,269
Sunplus Venture Capital Co., Ltd.	5,885	89,966
Lin Shih Investment Co., Ltd.	19,647	11,254
Sunplus mMedia	(161,762)	-
Generaplus Technology Corp.	(5,086)	112
Ventureplus Group Inc.	25,791	(65,432)
Russell Holdings Limited	(27,146)	(1,058)
Sunplus Innovation Technology Inc.	5,244	20,837
Sunext Technology Co., Ltd.	78,937	107,815
HT mMobile Inc.	(56,755)	-
Waveplus Technology Co., Ltd.	1,419	2,018
Global Techplus Capital Inc.	1	1,596
Wei-Young Investment Inc.	(6)	(6)
Sunplus Technology (H.K.) Co., Ltd.	1,294	9,142
Sunplus Management Consulting Inc.	(16)	(33)
Sunplus Core Technology Co., Ltd.	(17,299)	(17,057)
Sunplus mMobile Inc.	(102,965)	(269,868)
Goldkey Technology Corp.	<u>312</u>	<u>(518)</u>
	<u>\$ (318,484)</u>	<u>\$ (29,643)</u>

Fair values of listed equity-method investments calculated at their closing prices as of March 31, 2009 and 2008 were as follows:

	March 31	
	2009	2008
Orise Technology Co., Ltd.	\$ 2,725,001	\$ 4,854,233
Giantplus Technology Co., Ltd.	<u>1,396,756</u>	<u>2,643,612</u>
	<u>\$ 4,121,757</u>	<u>\$ 7,497,845</u>

8. AVAILABLE-FOR-SALE FINANCIAL ASSET

	March 31	
	2009	2008
Open-end funds	\$ 468,347	\$ 611,046
Domestic listed stocks	<u>182,744</u>	<u>437,872</u>
	651,091	1,048,918
Current portion	<u>468,347</u>	<u>611,046</u>
	<u>\$ 182,744</u>	<u>\$ 437,872</u>

9. FINANCIAL ASSETS CARRIED AT COST

	<u>March 31</u>	
	<u>2009</u>	<u>2008</u>
Domestic unlist stocks	<u>\$ 35,556</u>	<u>\$ 35,556</u>

The above investments did not have quoted prices in an active market and their fair value could not be reliably measured. Thus, they were carried at original cost.

10. PROPERTIES

	<u>Three Months Ended March 31, 2009</u>							
	<u>Buildings</u>	<u>Auxiliary Equipment</u>	<u>Machinery and Equipment</u>	<u>Testing Equipment</u>	<u>Transportation Equipment</u>	<u>Furniture and Fixtures</u>	<u>Leasehold Improvements</u>	<u>Total</u>
<u>Cost</u>								
Balance, beginning of period	\$ 688,983	\$ 184,963	\$ 414,508	\$ 373,482	\$ 2,463	\$ 123,058	\$ 459	\$ 1,787,916
Increase	-	-	-	855	-	-	-	855
Decrease	-	-	-	596	-	527	-	1,123
Reclassification	<u>35,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,292</u>
Balance, end of period	<u>724,275</u>	<u>184,963</u>	<u>414,508</u>	<u>373,741</u>	<u>2,463</u>	<u>122,531</u>	<u>459</u>	<u>1,822,940</u>
<u>Accumulated depreciation</u>								
Balance, beginning of period	113,447	141,393	316,522	276,980	2,186	100,636	426	951,590
Depreciation	3,700	2,323	10,207	10,805	35	2,581	4	29,655
Decrease	-	-	-	540	-	527	-	1,067
Reclassification	<u>4,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,449</u>
Balance, end of period	<u>121,596</u>	<u>143,716</u>	<u>326,729</u>	<u>287,245</u>	<u>2,221</u>	<u>102,690</u>	<u>430</u>	<u>984,627</u>
Balance, end of period, net	<u>\$ 602,679</u>	<u>\$ 41,247</u>	<u>\$ 87,779</u>	<u>\$ 86,496</u>	<u>\$ 242</u>	<u>\$ 19,841</u>	<u>\$ 29</u>	<u>\$ 838,313</u>

	<u>Three Months Ended March 31, 2008</u>							
	<u>Buildings</u>	<u>Auxiliary Equipment</u>	<u>Machinery and Equipment</u>	<u>Testing Equipment</u>	<u>Transportation Equipment</u>	<u>Furniture and Fixtures</u>	<u>Leasehold Improvements</u>	<u>Total</u>
<u>Cost</u>								
Balance, beginning of period	\$ 688,983	\$ 179,140	\$ 378,667	\$ 402,639	\$ 5,573	\$ 128,706	\$ 459	\$ 1,784,167
Increase	-	1,099	-	4,504	-	245	-	5,848
Decrease	-	-	-	353	-	79	-	432
Reclassification	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,569)</u>	<u>-</u>	<u>(3,209)</u>	<u>-</u>	<u>(63,778)</u>
Balance, end of period	<u>688,983</u>	<u>180,239</u>	<u>378,667</u>	<u>346,221</u>	<u>5,573</u>	<u>125,663</u>	<u>459</u>	<u>1,725,805</u>
<u>Accumulated depreciation</u>								
Balance, beginning of period	104,528	127,925	262,980	249,336	5,101	93,769	394	844,033
Depreciation	3,635	4,367	12,077	11,336	49	3,217	8	34,689
Decrease	-	-	-	301	-	78	-	379
Reclassification	<u>(5,621)</u>	<u>-</u>	<u>-</u>	<u>(16,189)</u>	<u>-</u>	<u>(1,189)</u>	<u>-</u>	<u>(22,999)</u>
Balance, end of period	<u>102,542</u>	<u>132,292</u>	<u>275,057</u>	<u>244,182</u>	<u>5,150</u>	<u>95,719</u>	<u>402</u>	<u>855,344</u>
Balance, end of period, net	<u>\$ 586,441</u>	<u>\$ 47,947</u>	<u>\$ 103,610</u>	<u>\$ 102,039</u>	<u>\$ 423</u>	<u>\$ 29,944</u>	<u>\$ 57</u>	<u>\$ 870,461</u>

11. INTANGIBLE ASSETS, NET

	Three Months Ended March 31, 2009		
	Technology License Fees	Patents	Total
<u>Cost</u>			
Balance, beginning of period	\$ 2,629,091	\$ 97,849	\$ 2,726,940
Increase	3,568	-	3,568
Balance, end of period	<u>2,632,659</u>	<u>97,849</u>	<u>2,730,508</u>
<u>Accumulated amortization</u>			
Balance beginning of period	2,143,411	31,742	2,175,153
Amortization expense	<u>66,175</u>	<u>1,374</u>	<u>67,549</u>
Balance, end of period	<u>2,209,586</u>	<u>33,116</u>	<u>2,242,702</u>
Balance, end of period, net	<u>\$ 423,073</u>	<u>\$ 64,733</u>	<u>\$ 487,806</u>

	Three Months Ended March 31, 2008		
	Technology License Fees	Patents	Total
<u>Cost</u>			
Balance, beginning of period	\$ 2,576,007	\$ 97,849	\$ 2,673,856
Increase	9,664	-	9,664
Balance, end of period	<u>2,585,671</u>	<u>97,849</u>	<u>2,683,520</u>
<u>Accumulated amortization</u>			
Balance beginning of period	1,805,759	26,198	1,831,957
Amortization expense	<u>118,612</u>	<u>1,386</u>	<u>119,998</u>
Balance, end of period	<u>1,924,371</u>	<u>27,584</u>	<u>1,951,955</u>
Balance, end of period, net	<u>\$ 661,300</u>	<u>\$ 70,265</u>	<u>\$ 731,565</u>

Intangible assets consisted of fee paid to Oak Technology (“Oak”) for the Company to use Oak’s technology on light storage solutions to develop SOC DVD/VCD (system on a chip digital compact disk/video compact disk) players and to buy the rights on video processing technology to develop DTV products.

The Company also authorized Sunext Technology (equity-method investee) to research, design and manufacture products using the said technology in exchange for royalty income (shown under “gross sales” in the income statements and as “deferred royalty income” on the balance sheets.)

12. DEFERRED CHARGES AND OTHERS

	March 31	
	2009	2008
Software and system design, net	\$ 204,533	\$ 259,573
Certificate of golf club membership	7,800	7,800
Refundable deposits	<u>1,422</u>	<u>2,706</u>
	<u>\$ 213,755</u>	<u>\$ 270,079</u>

13. SHORT-TERM LOANS

	March 31, 2008
Working capital loans - annual interest rate 3.01%-3.65% in 2008, US\$15,000 thousand	<u>\$ 456,000</u>

14. LONG-TERM DEBT

	March 31, 2008
Medium- to long-term credit bank loans:	
Repayable quarterly from February 2010 to February 2012 in installments; annual floating-rate interest - 2.159% in 2009	\$ 820,000
Repayable semi-annually from February 2009 to February 2012 in installments; annual floating-rate interest - 2.21% in 2009	150,000
Medium- to long-term secured loan:	
Repayable semi-annually from March 2010 to March 2014 in installments; annual floating-rate interest - 1.805% in 2009	700,000
Repayable semi-annually from February 2009 to February 2012 in installments; annual floating-rate interest - 2.21% in 2009	<u>150,000</u>
	1,820,000
Less: Current portion	<u>140,000</u>
	<u>\$ 1,680,000</u>

Based on the loan contracts, the Company provided buildings and shares of Giantplus Technology Co. Ltd. and Orise Technology Co. Ltd. as collaterals for the above loans (Note 23). The contracts also set limits on the debt ratio, current ratio, times interest-earned ratio and financial provided. The violation of the limitation on the ratios is not deemed to be the violation of contracts.

15. PENSION PLAN

The Company's pension plan under the Labor Pension Act is a defined contribution plan. The rate of contribution by an employer to employees' personal pension accounts should not be less than 6% of each employee's monthly salary or wage. The Company has made monthly contributions to employees' personal pension accounts and recognized pension costs of \$7,520 thousand and \$7,664 thousand for the three months ended March 31, 2009 and 2008, respectively.

Before the promulgation of the Act, the Company has had a defined benefit pension plan under the Labor Standards Law. Under this plan, employees should receive either a series of pension payments with a defined annuity or a lump sum that is payable immediately on retirement and is equivalent to 2 base units for each of the first 15 years of service and 1 base unit for each year of service thereafter. The total retirement benefit is subject to a maximum of 45 units. The pension plan provides benefits based on the length of service and the average basic salary of the employee's final six months of service. In addition, the Company makes monthly contributions, equal to 2% of salaries, to a pension fund, which is administered by a fund monitoring committee. The fund is deposited in the committee's name in the Bank of Taiwan as the survivor entity. The Company recognized pension costs of \$565 thousand and \$911 thousand for the three months ended March 31, 2009 and 2008, respectively.

Defined benefit pension fund balances were \$107,552 thousand and \$99,235 thousand as of March 31, 2009 and 2008, respectively.

16. SHAREHOLDERS' EQUITY

a. Employee stock option plan

On March 6, 2003 (2003 option plan) and September 11, 2007 (2007 option plan), the Securities and Futures Bureau approved the Company's adoption of an employee stock option plan. The plan provides for the grant of 30,000 thousand options and 25,000 thousand options in 2003 and 2007 plan, respectively, with each unit representing one common share. The option rights are granted to qualified employees of the Company and subsidiaries. A total of 55,000 thousand common shares have been reserved for issuance. The options are valid for six years and exercisable at certain percentages after the second anniversary of the grant date. Stock option rights are granted at an exercise price equal to the closing price of the Company's common shares listed on the Taiwan Stock Exchange on the grant date. All options had been granted or canceled as of March 31, 2009.

Outstanding option rights were as follows:

	2003 Option Plan			
	2009		2008	
	Unit (in Thousands)	Weighted- average Price (NT\$)	Unit (in Thousands)	Weighted- average Price (NT\$)
Beginning outstanding balance	5,082	\$40.31	5,154	\$47.07
Options exercised	-	-	(143)	32.70
Options canceled	<u>(161)</u>		<u>(20)</u>	
Ending outstanding balance	<u>4,921</u>		<u>4,991</u>	

	2007 Option Plan			
	2009		2008	
	Unit (in Thousands)	Weighted- average Price (NT\$)	Unit (in Thousands)	Weighted- average Price (NT\$)
Beginning outstanding balance	24,646	\$40.52	25,000	\$47.58
Options canceled	<u>(567)</u>		-	
Ending outstanding balance	<u>24,079</u>		<u>25,000</u>	

The number of shares and exercise prices of outstanding option have been adjusted to reflect the appropriations of dividends, stock bonuses and issuance of capital stock specified under the Plans.

As of March 31, 2009, the outstanding and exercisable options were as follows:

	2003 Option Plan				
	Options Outstanding			Options Exercisable	
	Exercise Price (NT\$)	Number of Options (in Thousands)	Weighted- average Remaining Contractual Life (Years)	Weighted- average Exercise Price (NT\$)	Number of Options (in Thousands)
\$27.80	1,869	0.10	\$27.80	1,869	\$27.80
48.30	3,052	0.41	48.30	3,052	48.30

2007 Option Plan					
Exercise Price (NT\$)	Options Outstanding			Options Exercisable	
	Number of Options (in Thousands)	Weighted- average Remaining Contractual Life (Years)	Weighted- average Exercise Price (NT\$)	Number of Options (in Thousands)	Weighted- average Exercise Price (NT\$)
\$40.40	17,779	4.62	\$40.40	-	\$40.40
40.90	6,300	4.74	40.90	-	40.90

The pro forma information for the three months ended March 31, 2009 and 2008 assuming employee stock options granted before December 31, 2007 were accounted for under Statement of Financial Accounting Standards No. 39 - "Share-Based Payment" is as follows:

	March 31	
	2009	2008
Net income (loss)		
Net income (loss) as reported	<u>\$ (489,192)</u>	<u>\$ 71,260</u>
Pro forma net income (loss)	<u>\$ (542,946)</u>	<u>\$ 14,608</u>
Earnings (loss) per share (E/LPS); in New Taiwan dollars)		
Basic E/LPS as reported	<u>\$(0.82)</u>	<u>\$0.12</u>
Pro forma basic E/LPS	<u>\$(0.91)</u>	<u>\$0.02</u>
Diluted E/LPS as reported	<u>\$(0.82)</u>	<u>\$0.12</u>
Pro forma diluted E/LPS	<u>\$(0.91)</u>	<u>\$0.02</u>

b. Global Depositary Receipts (GDRs)

In March 2001, the Company issued 20,000 thousand units of Global Depositary Receipts (GDRs), representing 40,000 thousand common shares consisting of newly issued and originally outstanding shares. The GDRs are listed on the London Stock Exchange (code: SUPD) with an issuance price of US\$9.57 per unit. As of March 31, 2009, the outstanding 279 thousand units of GDRs represented 559 thousand common shares.

c. Capital Surplus

Under ROC regulations, capital surplus may be used to offset deficit, and only the capital surplus from the issue of stock in excess of par value (including the stock issued for new capital and mergers and surplus arising from treasury stocks transactions) may be transferred to capital as stock dividend; this transfer is restricted to a certain percentage based on shareholders' ownership. Also, the capital surplus from long-term investments may not be used for any purpose.

d. Appropriation of Earnings and Dividend Policy

The Company's Articles of Incorporation provide that the following should be appropriated from annual net income less any accumulated deficit: (a) 10% as legal reserve; and (b) special reserve equivalent to the debit balance of any accounts shown in the shareholders' equity section of the balance sheet, other than deficit. The distribution of any remaining earnings will be as follows: (i) up to 6% of paid-in capital as dividends; and (ii) 1.5% as remuneration to directors and supervisors and at least 1% as bonus to employees. The employees may include, with the approval of the Company's board of directors, those of the Company's subsidiaries.

The current year's net income less all the foregoing appropriations and distributions plus the unappropriated prior years' earnings may be distributed as additional dividends. It is the Company's policy that cash dividends should be at least 10% of total dividends distributed. However, cash dividends will not be distributed if these dividends are less than NT\$0.5 per share.

For the three months ended March 31, 2009, the bonus to employees and remuneration to directors and supervisors, representing 25% and 1.5%, respectively, of net income had to be accrued on the basis of past experiences. Due to the net loss for the three months ended March 31, 2009, the Company did not accrue bonus and remuneration expenses. If the actual amounts approved by the shareholders differ from the board of directors' proposed amounts, the differences are recorded in the year of shareholders' resolution as a change in accounting estimate.

If bonus shares are resolved to be distributed to employees, the number of shares is determined by dividing the amount of bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the day preceding the shareholders' meeting.

Under regulations promulgated by the Securities and Futures Bureau, a special reserve equivalent to the debit balance of any account shown in the shareholders' equity section of the balance sheet (for example, unrealized loss on financial assets and cumulative translation adjustments except for treasury stock) should be made from unappropriated retained earnings. The special reserve is allowed to be appropriated to the extent that the debit balance of such accounts is reversed.

Under the ROC Company Law, legal reserve should be appropriated until the reserve equals the Company's paid-in capital. This reserve may be used to offset a deficit. In addition, when the reserve exceeds 50% of the Company's paid-in capital, the portion of up to 25% of the excess can be distributed as stock dividend and bonus if the Company has no deficit.

Under the Integrated Income Tax System, which took effect on January 1, 1998, ROC resident shareholders are allowed to have tax credits for the income tax paid by the Company on earnings generated since January 1, 1998. An imputation credit account (ICA) is maintained by the Company for such income tax and the tax credit allocated to each resident shareholder. The maximum credit available for allocation to each resident shareholder cannot exceed the ICA balance on the dividend distribution date.

The appropriations for the earnings of 2008 has been approved by Board of Directors on March 19, and the appropriation for the earnings of 2007 were approved in the shareholders' meetings on June 13, 2008. The appropriations, including dividends, were as follows:

	<u>For Fiscal Year 2008</u>		<u>For Fiscal Year 2007</u>	
	<u>Appropriation</u>	<u>Dividends</u>	<u>Appropriation</u>	<u>Dividends</u>
	<u>of Earnings</u>	<u>Per Share</u>	<u>of Earnings</u>	<u>Per Share</u>
		<u>(NT\$)</u>		<u>(NT\$)</u>
Legal reserve	\$ 838		\$ 206,150	
Special reserve	428,914		(17,260)	
Bonus to employees - stock	-		135,000	
Bonus to employees - cash	-		15,000	
Remuneration of directors and supervisors	-		23,090	
Stock dividends	-	\$ -	166,637	\$0.29990
Cash dividends	-	-	<u>1,388,644</u>	2.49920
	<u>\$ 429,752</u>		<u>\$ 1,917,261</u>	

The shareholders also resolved the transfer of \$111,092 thousand of capital surplus to paid-in capital in the shareholders' meeting on June 13, 2008. The record date for the increase of common shares was September 2, 2008.

The appropriation for the earnings of 2008 is expected to be approved in the shareholders' meetings on April 30, 2009.

The information on the appropriations of bonuses to employees, directors and supervisors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

Unrealized Gain or Loss on Financial Instruments

For the three months ended March 31, 2009 and 2008, the movements of unrealized gain or loss on financial instrument were as follows:

	Available- for-sale Financial Assets	Equity- method Investments	Total
<u>Three months ended March 31, 2009</u>			
Balance, beginning of period	\$ (438,577)	\$ (123,389)	\$ (561,966)
Recognized in shareholders' equity	<u>25,435</u>	<u>84,405</u>	<u>109,840</u>
Balance, end of period	<u>\$ (413,142)</u>	<u>\$ (38,984)</u>	<u>\$ (452,126)</u>
<u>Three months ended March 31, 2008</u>			
Balance, beginning of period	\$ (160,003)	\$ 345,418	\$ 185,415
Recognized in shareholders' equity	<u>(36,192)</u>	<u>(196,718)</u>	<u>(232,910)</u>
Balance, end of period	<u>\$ (196,195)</u>	<u>\$ 148,700</u>	<u>\$ (47,495)</u>

17. TREASURY STOCK

(Units: Shares in Thousands)

Purpose of Purchase	Beginning Shares	Decrease	Ending Shares
<u>Three months ended March 31, 2009</u>			
Company stocks held by subsidiaries	3,560	-	3,560
For subsequent transfer to employees	<u>1,293</u>	<u>(1,293)</u>	<u>-</u>
	<u>4,853</u>	<u>(1,293)</u>	<u>3,560</u>
<u>Three months ended March 31, 2008</u>			
Company stocks held by subsidiaries	3,390	-	3,390
For subsequent transfer to employees	<u>1,293</u>	<u>-</u>	<u>1,293</u>
	<u>4,683</u>	<u>-</u>	<u>4,683</u>

Starting from January 2002, the Company accounted for its issued shares amounting to \$95,605 thousand held by a subsidiary, Lin Shin Investment Co., Ltd., as treasury stock. As of March 31, 2009, the book values and market values of these stocks were \$63,401 thousand and \$55,358 thousand, respectively. As of March 31, 2008, the book values and market values of these stocks were \$63,401 thousand and \$127,314 thousand, respectively.

Under the Securities and Exchange Act, the Company should neither pledge treasury stock nor exercise shareholders' rights on these shares, such as rights to dividends and to vote. The Company had canceled all the treasury stock on February 19, 2009 and had completed the related registration of the change in the number of its issued shares. The subsidiaries holding treasury stock, however, retain shareholders' rights on their holdings, except the rights to participate in any share issuance for cash and to vote.

18. PERSONNEL, DEPRECIATION AND AMORTIZATION EXPENSES

	Three Months Ended March 31					
	2009			2008		
	Classified as Cost of Sales	Classified as Operating Expense	Total	Classified as Cost of Sales	Classified as Operating Expense	Total
Labor cost						
Salary	\$ 11,662	\$ 112,133	\$ 123,795	\$ 9,219	\$ 172,945	\$ 182,164
Labor/health insurance	1,184	8,892	10,076	1,147	8,728	9,875
Pension	864	7,221	8,085	958	7,617	8,575
Welfare benefit	353	2,319	2,672	735	4,532	5,267
Meal	409	2,527	2,936	433	2,685	3,118
	<u>\$ 14,472</u>	<u>\$ 133,092</u>	<u>\$ 147,564</u>	<u>\$ 12,492</u>	<u>\$ 196,507</u>	<u>\$ 208,999</u>
Depreciation	<u>\$ 11,126</u>	<u>\$ 18,529</u>	<u>\$ 29,655</u>	<u>\$ 13,143</u>	<u>\$ 21,546</u>	<u>\$ 34,689</u>
Amortization	<u>\$ 625</u>	<u>\$ 120,199</u>	<u>\$ 120,824</u>	<u>\$ 1,773</u>	<u>\$ 184,686</u>	<u>\$ 186,459</u>

19. INCOME TAX

- a. A reconciliation of income tax expense on income (loss) before income tax at statutory rate and current income tax expense before tax credits is shown below:

	Three Months Ended March 31	
	2009	2008
Income (loss) before income tax at statutory rate (25%)	\$ (103,501)	\$ 20,940
Tax effects of adjustments:		
Permanent difference	76,846	(436)
Temporary difference	<u>20,897</u>	<u>(22,698)</u>
Income tax expense before tax credits	<u>\$ (5,758)</u>	<u>\$ (2,194)</u>

- b. Income tax expense consisted of the following:

	Three Months Ended March 31	
	2009	2008
Income tax expense before tax credits	\$ -	\$ -
Investment tax credits	-	-
Net change in deferred income taxes assets	<u>75,188</u>	<u>12,500</u>
	<u>\$ 75,188</u>	<u>\$ 12,500</u>

c. Deferred income tax assets were as follows:

	<u>March 31</u>	
	<u>2009</u>	<u>2008</u>
Current:		
Investment tax credits	\$ 299,193	\$ 124,922
Temporary difference	5,700	24,960
Deduct: Valuation allowance	<u>194,193</u>	<u>-</u>
	<u>\$ 110,700</u>	<u>\$ 149,882</u>
Noncurrent:		
Investment tax credits	\$ 971,436	\$ 998,723
Temporary difference	14,312	9,183
Loss carryforwards	5,758	-
Deduct: Valuation allowance	<u>254,328</u>	<u>178,502</u>
	<u>\$ 737,178</u>	<u>\$ 829,404</u>

As of March 31, 2009, investment tax credits were as follows:

Regulatory Basis of Tax Credits	Items	Total Creditable Amounts	Remaining Creditable Amounts	Expiry Year
Statute for Upgrading Industries	Purchase of machinery and equipment	\$ 3,606	\$ 3,606	2009
		<u>1,005</u>	<u>1,005</u>	2011
		<u>\$ 4,611</u>	<u>\$ 4,611</u>	
Statute for Upgrading Industries	Research and development expenditures	\$ 295,587	\$ 295,587	2009
		415,235	415,235	2010
		257,859	257,859	2011
		265,020	265,020	2012
		<u>32,317</u>	<u>32,317</u>	2013
		<u>\$ 1,266,018</u>	<u>\$ 1,266,018</u>	
Income Tax Law	Loss carryforwards	<u>\$ 5,758</u>	<u>\$ 5,758</u>	2019

On January 6, 2009, the Legislative Yuan of the Republic of China passed the amendment of Article 39 of the Income Tax Law, which extends the operating losses carryforward period from five years to ten years.

d. The profits generated from the following expansion and construction projects are exempt from income tax:

<u>Project</u>	<u>Tax Exemption Period</u>
Sixth expansion	January 1, 2006 to December 31, 2009
Ninth expansion	January 3, 2007 to January 2, 2012
Tenth expansion	August 31, 2006 to August 30, 2011
Eleventh expansion	January 1, 2008 to December 31, 2012

The tax returns through 2005 have been assessed by the tax authorities. The Company disagreed with the tax authorities' assessment of its 2003, 2004 and 2005 tax returns and thus applied for an administrative remedy of these returns. Nevertheless, the Company has made a provision for the income tax assessed by the tax authorities for conservatism purposes.

e. Integrated income tax information is as follows:

	March 31	
	2009	2008
Shareholders' imputation credit account	<u>\$ 74,942</u>	<u>\$ 41,267</u>
Unappropriated earnings until 1997	<u>\$ 452,310</u>	<u>\$ 452,310</u>

The expected and actual creditable tax ratios for 2008 and 2007 were 6.58% and 4.41%, respectively.

The imputation credits allocated to shareholders of the Company is based on the balance of the ICA as of the date of dividend distribution. The expected creditable ratio for the 2008 earnings may be adjusted, depending on the ICA balance on the date of dividend distribution.

20. EARNINGS (LOSS) PER SHARE

The numerators and denominators used in computing earnings (loss) per share (E/LPS) were as follows:

	<u>Amounts (Numerator)</u>		Share (Denominator) (In Thousands)	<u>E/LPS (Dollars)</u>	
	Before Income Tax	After Income Tax		Before Income Tax	After Income Tax
<u>Three months ended March 31, 2009</u>					
Net loss	<u>\$ (414,004)</u>	<u>\$ (489,192)</u>			
Basic and diluted loss per share					
Loss of common shareholders	<u>\$ (414,004)</u>	<u>\$ (489,192)</u>	593,939	<u>\$ (0.70)</u>	<u>\$ (0.82)</u>
<u>Three months ended March 31, 2008</u>					
Net income	<u>\$ 83,760</u>	<u>\$ 71,260</u>			
Basic EPS					
Income of common shareholders	\$ 83,760	\$ 71,260	593,253	<u>\$ 0.14</u>	<u>\$ 0.12</u>
Effect of dilutive securities					
Stock options	-	-	6		
Diluted EPS					
Income of common and potential common shareholders	<u>\$ 83,760</u>	<u>\$ 71,260</u>	<u>593,259</u>	<u>\$ 0.14</u>	<u>\$ 0.12</u>

The weighted-average number of shares outstanding for EPS calculation was adjusted retroactively for stock dividends and stock bonuses issued subsequently (see Note 16). As a result of this adjustment, the basic EPS and diluted EPS after income tax of three months ended March 31, 2008 decreased from NT\$0.13 to NT\$0.12.

The employee stock option stated in Note 16 represents potential common stock. Thus, the Company tested the effects of employee stock options by the treasury method in accordance with Statement of Financial Accounting Standards No. 24 - "Earnings Per Share. The test showed the stock options were anti-dilutive for the three months ended March 31, 2009. As a result, the potential common shares were excluded from the calculation of diluted EPS.

21. FINANCIAL INSTRUMENTS

a. Fair values of financial instruments were as follows:

	March 31			
	2009		2008	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Nonderivative instruments</u>				
Assets				
Financial assets at fair value through profit or loss (including current and noncurrent portion)	\$ 168,384	\$ 168,384	\$ 152,325	\$ 152,325
Available-for-sale financial assets (including current and noncurrent portion)	651,091	651,091	1,048,918	1,048,918
Financial assets carried at cost	35,556	-	35,556	-

b. Methods and assumptions used in determining fair values of financial assets and liabilities, based on quoted market prices or valuation techniques, were as follows:

- 1) For cash, accounts receivable, other receivables, short-term loans, and accounts payable, the carrying amounts reported in the balance sheets approximate their fair values because of their short maturities.
 - 2) Fair values of financial assets at fair value through profit or loss and available-for-sale financial assets are based on their quoted prices in active markets. For those instruments not traded in active markets, their fair values are determined using valuation techniques incorporating estimates and assumptions that are consistent with prevailing market conditions. For those derivatives with no quoted market prices, their fair values are determined using valuation techniques incorporating estimates and assumptions consistent with those generally used by other market participants to price financial instruments.
 - 3) Financial assets carried at cost are investments in unquoted shares, which have no quoted prices in an active market and entail an unreasonably high cost to obtain verifiable fair values. Therefore, no fair value is presented
 - 4) Fair value of long-term debt is estimated using the present value of future cash flows discounted by the interest rates the Company may obtain for similar loans (e.g., similar maturities). The fair values of long-term bank debt with floating interest rates are equivalent to their carrying values.
- c. Gain recognized for the changes in fair value of financial instruments using valuation techniques was \$6,262 thousand and \$17,009 thousand for the three months ended March 31, 2009 and 2008, respectively.

- d. As of March 31, 2009 and 2008, financial assets exposed to cash flow interest rate risk amounted to \$816,577 thousand and \$401,987 thousand, respectively; financial assets exposed to fair value interest rate risk amounted to \$1,220,010 thousand and \$60,000 thousand, respectively. As of March 31, 2008, financial liabilities exposed to fair value interest rate risk was \$334,400 thousand. As of March 31, 2009 and 2008, financial liabilities exposed to cash flow interest rate risk were \$1,820,000 thousand and \$121,600 thousand, respectively.
- e. Interest revenues arising from the financial assets other than the financial assets at fair value through profit or loss for the three months ended March 31, 2009 and 2008 were \$488 thousand and \$2,144 thousand, respectively; interest expense arising from the financial assets other than the financial assets at fair value through profit or loss for the three months ended March 31, 2009 and 2008 were \$4,887 thousand and \$9,603 thousand, respectively.
- f. Financial risks
 - 1) Market risk. The financial instruments held by the Company are exposed to interest rate, foreign exchange rate and price risks.

Fair values of inverse floaters are influenced by exchange rate fluctuations.

Fair values of available-for-sale security investments are affected by fluctuations of quoted prices.
 - 2) Credit risk. Credit risk represents the potential loss that would be incurred by the Company if the counter-parties breached contracts. Financial instruments with positive fair values at the balance sheet date are evaluated for credit risk. The counter-parties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Company's exposure to default by those parties to be material.
 - 3) Liquidity risk. Investments in inverse floaters and financial assets carried at cost do not have an active market. Thus, the liquidity risk of these investments is material. On the other hand, held-for-trading and available-for-sale security investments are expected to be settled readily at amounts approximating their fair values in active markets. However, the Company also has some equity-method investments with no quoted market prices in an active market, which are expected to have material liquidity risk.
 - 4) Interest rate risk. As of March 31, 2009, the interest rates of long term debt are floating, which would fluctuate with market interest rates.

22. RELATED-PARTY TRANSACTIONS

The Company's related parties were as follows:

- a. Waveplus Technology Co., Ltd. ("Waveplus") - equity-method investee
- b. Sunext Technology Co., Ltd. ("Sunext") - 79% Subsidiary
- c. Generalplus Technology Inc. ("Generalplus") - equity-method investee
- d. Coolsand Technologies SARL ("Coolsand") - equity-method investee of Russell Holding Ltd.
- e. Lin Shin Technology Co., Ltd. ("Lin Shin") - equity-method investee of Russell Holding Ltd.
- f. Sunplus Core Technology Inc. ("Sunplus Core") - 57% subsidiary
- g. Sunplus Innovation Technology Inc. ("Sunplus Innovation") - 84% subsidiary

- h. Sunplus mMobile Inc. (“Sunplus mMobile”) - 91% subsidiary
- i. Orise Technology Co., Ltd. (“Orise”) - 54% subsidiary
- j. HT mMobile Inc. Ltd. (“HT mMobile”) - 91% subsidiary
- k. Sunplus mMedia Inc. (“Sunplus mMedia”) - 78% subsidiary
- l. Sunplus Technology (Shanghai) Co., Ltd. (“Sunplus Shanghai”) - 99% indirect subsidiary
- m. Sunplus Technology (H.K.) Co., Ltd. (“Sunplus H.K.”) - 100% subsidiary
- n. Sunplus Prof-tek (Shenzhen) Co., Ltd. (“Sunplus Prof-tek”) - 100% indirect subsidiary
- o. Sun Media Technology Co., Ltd. (“Sun Media”) - 100% indirect subsidiary
- p. Others - please refer to Note 26 for related parties that did not have business transactions with the Company in the current period.

The transactions with the foregoing parties in addition to those disclosed in other notes are summarized as follows:

	Three Months Ended March 31			
	2009		2008	
	Amount	%	Amount	%
Sales:				
Sunplus mMedia	\$ 12,631	2	\$ 14,041	1
Orise	8,697	1	19,911	2
Sunplus Core	3,418	1	625	-
Sunplus mMobile	3,325	-	3,876	-
Generaplus	2,984	-	6,551	-
Waveplus	2,907	-	-	-
Sunplus Innovation	2,481	-	3,869	-
Sunext	2,365	-	6,426	-
HT mMobile	1,279	-	-	-
Lin Shin	361	-	1,081	-
Coolsand	-	-	13,463	1
	<u>\$ 40,448</u>	<u>4</u>	<u>\$ 69,843</u>	<u>4</u>

The collection terms for products sold to related parties were similar to those for third parties.

The products sold to related parties were custom-made; thus, the related selling prices were not comparable with those for third parties.

	Three Months Ended March 31			
	2009		2008	
	Amount	%	Amount	%
Operating expense				
Sunplus Prof-tek	\$ 22,545	6	\$ -	-
Sun Media	11,976	3	-	-
Sunplus H.K.	7,687	2	-	-
Sunplus Core	1,690	-	3,694	1
Other	237	-	153	-
	<u>\$ 44,135</u>	<u>11</u>	<u>\$ 3,847</u>	<u>1</u>

The support transaction prices were negotiated and thus not comparable with those in the market.

	Three Months Ended March 31			
	2009		2008	
	Amount	%	Amount	%
Nonoperating income and gains				
Sunplus mMedia	\$ 14,372	23	\$ 23,928	15
Sunplus mMobile	10,433	16	12,871	8
HT mMobile	2,884	4	-	-
Sunplus Core	2,265	4	2,539	2
Sunplus Innovation	1,080	2	2,311	1
Generaplus	638	1	986	1
Orise	558	1	900	1
Sunext	164	-	342	-
Lin Shin	66	-	63	-
	<u>\$ 32,460</u>	<u>51</u>	<u>\$ 43,940</u>	<u>28</u>

Nonoperating income and gains included rental income and support transaction prices that were negotiated and thus not comparable with those in the market. The rental income referred to the Company's lease of offices to Sunplus mMobile, Sunplus mMedia and Sunplus Core. The Company transferred the book value of these leased offices to assets leased to others; this book value was based on the ratio of the area of the leased offices to the total area of the building.

The following receivables as well as other transactions between the Company and the related parties were based on normal terms.

	March 31			
	2009		2008	
	Amount	%	Amount	%
Accounts receivable:				
Orise	\$ 5,744	1	\$ 15,064	1
Sunplus mMedia	5,649	1	6,432	-
Waveplus	3,142	1	-	-
Generaplus	1,928	-	4,650	-
HT mMobile	1,278	-	-	-
Sunplus Innovation	979	-	2,382	-
Sunplus Core	607	-	219	-
Sunext	445	-	928	-
Sunplus mMobile	373	-	1,338	-
Lin Shin	151	-	1,099	-
Coolsand	-	-	40,464	3
	<u>\$ 20,296</u>	<u>3</u>	<u>\$ 72,576</u>	<u>4</u>

	March 31			
	2009		2008	
	Amount	%	Amount	%
Other receivables				
Sunplus mMedia	\$ 14,882	9	\$ 9,780	5
Sunplus mMobile	5,564	3	7,828	4
HT mMobile	2,884	2	-	-
Sunplus Core	697	-	1,057	1
Sunplus Innovation	358	-	445	-
Generaplus	239	-	269	-
Orise	227	-	2,042	1
Sunext	85	-	84	-
Lin Shin	44	-	43	-
	<u>\$ 24,980</u>	<u>14</u>	<u>\$ 21,548</u>	<u>11</u>
Prepaid other expensive				
Sunplus H.K.	\$ 2,379	5	-	-
Other current liabilities				
Sunplus Prof-tek	\$ 6,655	1	-	-
Sun Media	4,493	1	-	-
Sunplus Shanghai	2,416	1	-	-
Sunplus Core	479	-	1,200	-
Other	249	-	165	-
	<u>\$ 14,292</u>	<u>3</u>	<u>\$ 1,365</u>	<u>-</u>
Deferred royalty income (including current and non-current portion)				
Sunplus Core	\$ 44,800	97	-	-
Orise	1,008	2	2,107	11
Sunext	-	-	17,374	88
	<u>\$ 45,808</u>	<u>99</u>	<u>\$ 19,481</u>	<u>99</u>
Endorsement/guarantee provided:				
Sunplus mMobile	\$ 670,000		\$ 80,888	
Sunext	530,000		760,000	
Sunplus Shanghai	319,800		329,825	
Sunplus Core	140,000		-	
Sunplus mMedia	100,000		479,442	
Sunplus Innovation	60,000		323,550	
Generalplus	30,000		-	
Waveplus	20,000		20,000	
Lin Shih	10,000		-	
	<u>\$ 1,879,800</u>		<u>\$ 1,993,705</u>	

23. MORTGAGED OR PLEDGED ASSETS

The Company's assets pledged as collateral for long-term loans.

	March 31, 2009
Giantplus stocks	\$ 835,171
Orise stocks	262,527
Buildings, net (including assets leased to others)	<u>807,021</u>
	<u>\$ 1,904,719</u>

24. SIGNIFICANT LONG-TERM OPERATING LEASES

The Company leases land from the Science-Based Industrial Park Administration under renewable agreements expiring in July 2015, December 2020 and 2021, with annual rentals aggregating \$7,862 thousand.

Future annual minimum rentals under the leases are as follows:

Year	Amount
2009 (2nd to 4th quarter)	\$ 5,897
2010	7,862
2011	7,862
2012	7,862
2013	7,862
2014 and thereafter	<u>40,557</u>
	<u>\$ 77,902</u>

25. GAIN ON SETTLEMENT COMPENSATION

In February 2003, the Company bought optoelectronic storage department of Oak Technology, Inc. (Oak Technology Inc. merged with Zoran Company) and acquired its related patent. Therefore, in the settlement of the patent authorization between Mediatek and Zoran, the Company and its subsidiary, Sunext, are able to use Mediatek Inc.'s patents of PC optoelectronic storage, Mediatek authorizing this using right of the patent to Zoran, and can obtain part of solatium.

26. ADDITIONAL DISCLOSURES

Following are the additional disclosures required for the Company and its investees by the Securities and Futures Bureau:

- a. Endorsement/guarantee provided: Table 1 (attached)
- b. Marketable securities held: Table 2 (attached)
- c. Marketable securities acquired and disposed of at costs or prices of at least NT\$100 million or 20% of the paid-in capital: Table 3 (attached)

- d. Acquisition of long-term investments costs of at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached)
- e. Total purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5 (attached)
- f. Receivable from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 6 (attached)
- g. Names, locations, and related information of investees on which the Company exercises significant influences: Table 7 (attached)
- h. Forward exchange contracts of investee company: Table 8 (attached)
- i. Investment in Mainland China: Table 9 (attached)

SUNPLUS TECHNOLOGY COMPANY LIMITED

ENDORSEMENT/GUARANTEE PROVIDED

THREE MONTHS ENDED MARCH 31, 2009

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorsement/Guarantee Provider	Counter-party		Limits on Each Counter-party's Endorsement/Guarantee Amounts	Maximum Balance for the Period	Ending Balance	Value of Collateral Property, Plant, or Equipment	Percentage of Accumulated Amount of Collateral to Net Equity of the Latest Financial Statement	Maximum Collateral/Guarantee Amounts Allowable
		Name	Nature of Relationship						
0	Sunplus Technology Company Limited	Sunplus mMobile Inc.	91% subsidiary	\$ 1,056,056 (Note 1)	\$ 670,000	\$ 670,000	\$ -	6.34%	\$ 2,112,112 (Note 2)
		Sunext Technology Co., Ltd.	79% subsidiary	1,056,056 (Note 1)	630,000	530,000	-	5.02%	2,112,112 (Note 2)
		Sunplus Technology (Shanghai) Co., Ltd.	99% indirect subsidiary	1,056,056 (Note 1)	319,800	319,800	-	3.03%	2,112,112 (Note 2)
		Sunplus Core Technology Co., Ltd.	57% subsidiary	1,056,056 (Note 1)	140,000	140,000	-	1.33%	2,112,112 (Note 2)
		Sunplus mMedia Inc.	78% subsidiary	1,056,056 (Note 1)	227,000	100,000	-	0.95%	2,112,112 (Note 2)
		Sunplus Innovation Technology Inc.	84% subsidiary	1,056,056 (Note 1)	130,000	60,000	-	0.57%	2,112,112 (Note 2)
		Generalplus Technology Inc.	Equity-method investee	1,056,056 (Note 1)	30,000	30,000	-	0.28%	2,112,112 (Note 2)
		Waveplus Technology Co., Ltd.	Equity-method investee	1,056,056 (Note 1)	20,000	20,000	-	0.19%	2,112,112 (Note 2)
		Lin shih Technology Co., Ltd	Indirect equity-method investee	1,056,056 (Note 1)	10,000	10,000	-	0.09%	2,112,112 (Note 2)

Note 1: For each transaction entity, the amount should not exceed 10% of the endorsement/guarantee provider's net equity as of the latest financial statements.

Note 2: The amount should not exceed 20% of the endorsement/guarantee provider's net equity based on the latest financial statements.

TABLE 2

SUNPLUS TECHNOLOGY COMPANY LIMITED

MARKETABLE SECURITIES HELD

THREE MONTHS ENDED MARCH 31, 2009

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2009				Note	
				Shares or Units (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value		
Sunplus Technology Company Limited	<u>Stock</u>								
	Giantplus Technology Co., Ltd	Equity-method investee	Equity-method investments	84,652	\$ 1,767,470	21	\$ 1,767,470	Note 1	
	Orise Technology Co., Ltd.	Equity-method investee	Equity-method investments	72,090	1,261,706	54	1,261,739	Notes 1 and 7	
	Sunplus mMedia Inc.	Equity-method investee	Equity-method investments	64,500	546,744	78	719,566	Notes 1 and 8	
	Sunplus Venture Capital Co., Ltd.	Equity-method investee	Equity-method investments	100,000	670,218	100	670,218	Note 1	
	Lin Shih Investment Co., Ltd.	Equity-method investee	Equity-method investments	70,000	641,363	100	641,363	Notes 1 and 4	
	Generalplus Technology Inc	Equity-method investee	Equity-method investments	27,942	470,205	41	470,205	Note 1	
	Ventureplus Group Inc.	Equity-method investee	Equity-method investments	24,700	468,270	100	468,270	Note 1	
	Russell Holdings Limited	Equity-method investee	Equity-method investments	14,760	411,787	100	415,290	Notes 1 and 9	
	Sunplus Innovation Technology Inc.	Equity-method investee	Equity-method investments	22,660	397,606	84	397,606	Note 1	
	Sunext Technology Co., Ltd.	Equity-method investee	Equity-method investments	78,995	322,995	79	181,889	Note 1	
	Sunplus Core Technology Co., Ltd	Equity-method investee	Equity-method investments	8,898	564	57	564	Note 1	
	Waveplus Technology Co., Ltd.	Equity-method investee	Equity-method investments	1,302	18,161	41	18,161	Note 1	
	Global Techplus Capital Inc.	Equity-method investee	Equity-method investments	200	8,118	100	8,118	Note 1	
	Wei-Young Investment Inc.	Equity-method investee	Equity-method investments	1,400	6,547	100	6,547	Note 1	
	Sunplus Technology (H.K.) Co., Ltd.	Equity-method investee	Equity-method investments	11,075	6,276	100	6,276	Note 1	
	Sunplus Management Consulting Inc.	Equity-method investee	Equity-method investments	500	4,178	100	4,178	Note 1	
	Sunplus mMobile Inc.	Equity-method investee	Equity-method investments	102,739	(416,712)	91	(413,478)	Notes 1 and 6	
	HT mMobile Inc.	Equity-method investee	Equity-method investments	17,261	115,850	91	115,850	Note 1	
	Global View Co., Ltd.	The Company's supervisor	Available-for-sale financial assets	13,568	132,556	12	132,556	Note 3	
	RITEK Corp.	The Company's director	Available-for-sale financial assets	5,000	28,347	-	28,347	Note 3	
	United Microelectronics Corp.	-	Available-for-sale financial assets	1,967	21,841	-	21,841	Note 3	
	Technology Partners Venture Capital Corp.	-	Financial assets carried at cost	2,222	22,223	11	22,223	Note 2	
	Network Capital Global Fund	-	Financial assets carried at cost	1,333	13,333	7	13,333	Note 2	
	Inverse floaters issued by Citi Bank	-	Financial assets at fair value through profit or loss	-	168,384	-	168,384		
		<u>Fund</u>							
		Prudential Financial Bond Fund	-	Available-for-sale financial assets	9,471	143,109	-	143,109	Note 5
	ING Taiwan Bond Fund	-	Available-for-sale financial assets	3,209	50,000	-	50,000	Note 5	
	NITC Taiwan Bond Fund	-	Available-for-sale financial assets	10,711	156,116	-	156,116	Note 5	
	NITC Bond Fund	-	Available-for-sale financial assets	177	30,079	-	30,079	Note 5	
	Taishin Lucky Fund	-	Available-for-sale financial assets	7,071	75,040	-	75,040	Note 5	
	Manulife Bond Fund	-	Available-for-sale financial assets	1,060	14,003	-	14,003	Note 5	
Orise Technology Co. Ltd.	Jih Sun Bond	-	Available-for-sale financial assets	14,635	206,113	-	206,113	Note 5	
	NITC Taiwan Bond Fund	-	Available-for-sale financial assets	10,367	151,101	-	151,101	Note 5	
	Prudential Financial Bond Fund	-	Available-for-sale financial assets	6,008	90,775	-	90,775	Note 5	
	Manulife Bond Fund	-	Available-for-sale financial assets	1,514	20,006	-	20,006	Note 5	

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2009				Note
				Shares or Units (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Hua Nan Phoenix Bond Fund	-	Available-for-sale financial assets	2,833	\$ 44,049	-	\$ 44,049	Note 5
	Polaris De-Bao Fund	-	Available-for-sale financial assets	11,781	135,085	-	135,085	Note 5
	Polaris De-Li Fund	-	Available-for-sale financial assets	2,439	38,000	-	38,000	Note 5
Sunplus mMobile Inc.	Sunplus mMedia Inc.	Equity-method investee	Equity-method investments	500	5,528	1	5,575	Note 1
	Sunplus mMobile SAS	Equity-method investee	Equity-method investments	237	7,542	100	7,542	Note 1
	Sunplus mMobile Limited	Equity-method investee	Equity-method investments	1,710	1,860	100	1,860	Note 1
	Sunplus mMobile Holding Inc.	Equity-method investee	Equity-method investments	2,580	(36)	100	(36)	Notes 1 and 6
	Prudential Financial Bond Fund	-	Available-for-sale financial assets	1,330	20,076	-	20,076	Note 5
	Ta Chong bond	-	Available-for-sale financial assets	1	7	-	7	Note 5
	Yuanta Wan Tai Bond Fund	-	Available-for-sale financial assets	220	3,171	-	3,171	Note 5
Sunplus mMobile Holding	Bright Sunplus mMobile Inc.	Equity-method investee	Equity-method investments	2,580	US\$ 1 thousand	100	US\$ 1 thousand	Note 1
Sunplus mMedia Inc.	Polaris De-Li Fund	-	Available-for-sale financial assets	3,094	48,080	-	48,080	Note 5
	NITC Taiwan Bond Fund	-	Available-for-sale financial assets	2,059	30,000	-	30,000	Note 5
	UPAMC Global Fixed Income Selection Fund	-	Available-for-sale financial assets	492	7,554	-	7,554	Note 5
	Yuanta Wan Tai Bond Fund	-	Available-for-sale financial assets	4,852	70,000	-	70,000	Note 5
	Prudential Financial Bond Fund	-	Available-for-sale financial assets	5,959	90,000	-	90,000	Note 5
	NITC Bond Fund	-	Available-for-sale financial assets	294	50,000	-	50,000	Note 5
Lin Shih Investment Co., Ltd.	<u>Stock</u>							
	Waveplus Technology Co., Ltd.	Equity-method investee	Equity-method investments	522	7,278	16	7,278	Note 1
	Sunext Technology Co., Ltd.	Equity-method investee	Equity-method investments	6,499	14,995	7	14,995	Note 1
	Generalplus Technology Inc.	Equity-method investee	Equity-method investments	12,653	212,907	19	212,907	Note 1
	Sunplus Core Technology Co., Ltd.	Equity-method investee	Equity-method investments	2,000	125	13	125	Note 1
	Sunplus mMobile Inc.	Equity-method investee	Equity-method investments	2,616	5,275	2	(10,519)	Note 1
	HT mMobile Inc.	Equity-method investee	Equity-method investments	439	2,949	2	2,949	Note 1
	Sunplus mMedia Inc.	Equity-method investee	Equity-method investments	2,513	32,152	3	32,152	Note 1
	Sunplus Innovation Technology Inc.	Equity-method investee	Equity-method investments	517	7,645	2	7,645	Note 1
	Sunplus Technology Company Limited	Parent company	Available-for-sale financial assets	3,560	55,358	1	55,358	Note 3
	Ability Enterprise Co., Ltd.	-	Available-for-sale financial assets	5,120	136,459	1	136,459	Note 3
	RITEK Corp.	-	Available-for-sale financial assets	833	4,725	-	4,725	Note 3
	Elite Advanced Laser Corp.	-	Available-for-sale financial assets	467	5,576	1	5,576	Note 3
	AIPTEK International Inc.	-	Available-for-sale financial assets	199	2,300	-	2,300	Note 3
	Radiant Innovation Inc.	-	Available-for-sale financial assets	1,933	32,080	8	32,080	Note 3
	Minton Optic Industry Co., Ltd.	-	Financial assets carried at cost	4,272	79,643	7	79,643	Note 2
	NCTU Spring Venture Capital Co., Ltd.	-	Financial assets carried at cost	2,000	-	6	-	Note 2
	GemFor Tech. Co., Ltd.	-	Financial assets carried at cost	831	10,685	6	10,685	Note 2
	MaxEmil Photonics Corporation	-	Financial assets carried at cost	426	8,273	2	8,273	Note 2
	WayTech Development Inc.	-	Financial assets carried at cost	1,500	-	5	-	Note 2
	Miracle Technology Co., Ltd.	-	Financial assets carried at cost	1,295	13,940	9	13,940	Note 2
	Socle Technology Corp.	-	Financial assets carried at cost	250	6,250	-	6,250	Note 2
	Glokie Technology Corp.	-	Financial assets carried at cost	2,300	23,000	14	23,000	Note 2
	Genius Vision Digital Co., Ltd.	-	Financial assets carried at cost	600	6,000	13	6,000	Note 2
	Lingri Technology Co., Ltd.	-	Financial assets carried at cost	304	3,040	19	3,040	Note 2

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2009				Note
				Shares or Units (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Russell Holdings Limited	<u>Stock</u> Jet Focus Limited	Equity-method investee	Equity-method investments	4,794	US\$ (350) thousand	44	US\$ (350) thousand	Notes 1 and 6
	Synerchip Co., Ltd.	Equity-method investee	Equity-method investments	4,236	US\$ 340 thousand	25	US\$ 340 thousand	Note 1
	Sunext Technology Co., Ltd.	Equity-method investee	Equity-method investments	855	US\$ 2,149 thousand	1	US\$ 59 thousand	Note 1
	Shang-Hai Fudan Microelectronics Company Limited	-	Available-for-sale financial assets	7,280	US\$ 442 thousand	-	US\$ 442 thousand	Note 3
	InveStar Excelsus Venture Capital (Int'l), Inc., LDC	-	Financial assets carried at cost	-	US\$ - thousand	19	US\$ - thousand	Note 2
	OZ Optics Ltd.	-	Financial assets carried at cost	1,000	US\$ 250 thousand	8	US\$ 250 thousand	Note 2
	Aicent, Inc.	-	Financial assets carried at cost	1,000	US\$ 500 thousand	2	US\$ 500 thousand	Note 2
	Ortega InfoSystem, Inc.	-	Financial assets carried at cost	2,557	US\$ - thousand	-	US\$ - thousand	Note 2
	Asia B2B on line Inc.	-	Financial assets carried at cost	1,000	US\$ - thousand	3	US\$ - thousand	Note 2
	Asia Tech	-	Financial assets carried at cost	-	US\$ 2,590 thousand	5	US\$ 2,590 thousand	Note 2
	Ether Precision Inc.	-	Financial assets carried at cost	1,250	US\$ 500 thousand	1	US\$ 500 thousand	Note 2
	Innobrige Venture Fund ILP	-	Financial assets carried at cost	-	US\$ 1,400 thousand	-	US\$ 1,400 thousand	Note 2
	Visualon Inc.	-	Financial assets carried at cost	377	US\$ 200 thousand	3	US\$ 200 thousand	Note 2
	Azalea Networks Inc.	-	Financial assets carried at cost	850	US\$ 1,150 thousand	2	US\$ 1,150 thousand	Note 2
	Innobrige International Inc.	-	Financial assets carried at cost	400	US\$ 800 thousand	15	US\$ 800 thousand	Note 2
	Sunplus Venture Capital Co., Ltd.	<u>Stock</u> Joing Technology Co., Ltd.	Equity-method investee	Equity-method investments	3,400	-	39	-
Waveplus Technology Co., Ltd.		Equity-method investee	Equity-method investments	387	5,395	12	5,395	Note 1
Sunext Technology Co., Ltd.		Equity-method investee	Equity-method investments	8,571	19,735	9	19,735	Note 1
Han Young Technology Co., Ltd.		Equity-method investee	Equity-method investments	420	1,780	70	1,780	Note 1
Generalplus Technology Inc.		Equity-method investee	Equity-method investments	2,920	49,141	4	49,141	Note 1
Orise Technology Co., Ltd.		Equity-method investee	Equity-method investments	865	14,556	1	14,556	Note 1
Sunplus Core Technology Co., Ltd.		Equity-method investee	Equity-method investments	2,000	125	13	125	Note 1
Sunplus mMobile Inc.		Equity-method investee	Equity-method investments	122	1,782	-	(479)	Note 1
HT mMobile Inc.		Equity-method investee	Equity-method investments	20	137	-	137	Note 1
Sunplus mMedia Inc.		Equity-method investee	Equity-method investments	10,000	111,314	12	111,314	Note 1
King Yuan Electronics Co., Ltd.		-	Available-for-sale financial assets	2,435	24,346	-	24,346	Note 3
AIPTEK International Inc.		-	Available-for-sale financial assets	1,172	13,537	1	13,537	Note 3
Ability Enterprise Co., Ltd.		-	Available-for-sale financial assets	3,674	97,906	1	97,906	Note 3
Radiant Innovation Inc.		-	Available-for-sale financial assets	742	12,316	3	12,316	Note 3
Elite Advanced Laser Corp.	-	Available-for-sale financial assets	116	1,391	-	1,391	Note 3	

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2009				Note
				Shares or Units (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	eWave System, Inc.	-	Financial assets carried at cost	1,833	\$ -	22	\$ -	Note 2
	Softchina Venture Capital Corp.	-	Financial assets carried at cost	407	-	8	-	Note 2
	Information Technology Total Services	-	Financial assets carried at cost	51	-	-	-	Note 2
	Book4u Company Limited	-	Financial assets carried at cost	9	-	-	-	Note 2
	VenGlobal International Fund	-	Financial assets carried at cost	1	-	3	-	Note 2
	Simple Act Inc.	-	Financial assets carried at cost	1,900	19,000	10	19,000	Note 2
	Feature Integration Technology Inc.	-	Financial assets carried at cost	1,850	24,237	6	24,237	Note 2
	Chiabon Venture Capital Co., Ltd.	-	Financial assets carried at cost	5,000	50,000	5	50,000	Note 2
	Cyberon Corporation	-	Financial assets carried at cost	1,170	13,691	18	13,691	Note 2
	WayTech Development Inc.	-	Financial assets carried at cost	1,000	-	4	-	Note 2
	Miracle Technology Co., Ltd.	-	Financial assets carried at cost	1,303	14,025	9	14,025	Note 2
	Socle Technology Corp.	-	Financial assets carried at cost	550	13,750	1	13,750	Note 2
	MaxEmil Photonics Corp.	-	Financial assets carried at cost	419	12,485	2	12,485	Note 2
	Minton Optic Industry Co., Ltd.	-	Financial assets carried at cost	5,000	75,000	8	75,000	Note 2
	Capella Micro System, Inc.	-	Financial assets carried at cost	630	9,450	3	9,450	Note 2
	Smec Media & Entertainment Corp.	-	Financial assets carried at cost	2,000	6,667	7	6,667	Note 2
	VISCO Inc.	-	Financial assets carried at cost	2,130	22,365	5	22,365	Note 2
	Azalea Networks Inc	-	Financial assets carried at cost	280	12,923	1	12,923	Note 2
Generalplus Technology Inc.	<u>Stock</u> Generalplus International (Samoa) Inc.	Subsidiary of Generalplus Technology Inc.	Equity-method investments	3,790	9,971	100	9,971	Note 1
	UPAMC Global Fixed Income Selection Fund	-	Available-for-sale financial assets	1,273	19,584	-	19,584	Note 5
	Mega Diamond Bond Fund	-	Available-for-sale financial assets	25,174	299,500	-	299,500	Note 5
	IBT Ta Chong Bond Fund	-	Available-for-sale financial assets	11,861	160,000	-	160,000	Note 5
	Polaris De-Li Fund	-	Available-for-sale financial assets	900	14,008	-	14,008	Note 5
	Prudential Financial Bound Fund	-	Available-for-sale financial assets	464	7,000	-	7,000	Note 5
	PCA Wall Pool Fund	-	Available-for-sale financial assets	1,776	23,000	-	23,000	Note 5
Generalplus International (Samoa) Inc.	<u>Stock</u> Generalplus (Mauritius) Inc.	Subsidiary of Generalplus International (Samoa) Inc.	Equity-method investments	3,790	US\$ 312 thousand	100	US\$ 312 thousand	Note 1
Generalplus (Mauritius) Inc.	<u>Stock</u> Generalplus Technology (Shenzhen) Co., Ltd.	Subsidiary of Generalplus (Mauritius) Inc.	Equity-method investments	-	US\$ 295 thousand	100	US\$ 295 thousand	Note 1
	Generalplus Technology (Hong Kong) Co., Ltd.	Subsidiary of Generalplus (Mauritius) Inc.	Equity-method investments	-	US\$ 17 thousand	100	US\$ 17 thousand	Note 1
Sunext Technology Co., Ltd.	<u>Stock</u> Great Sun Corp.	Subsidiary of Sunext Technology Co., Ltd.	Equity-method investments	1,750	33,919	100	33,919	Note 1
	Great Prosperous Corp.	Subsidiary of Sunext Technology Co., Ltd.	Equity-method investments	-	4,468	100	4,468	Note 1
Great Sun Corp.	<u>Stock</u> Sunext (Mauritius) Inc.	Subsidiary of Great Sun Corp.	Equity-method investments	750	US\$ 37 thousand	100	US\$ 37 thousand	Note 1

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2009				Note
				Shares or Units (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sunext (Mauritius) Inc.	<u>Stock</u> Sunext Technology (Shanghai)	Subsidiary of Sunext (Mauritius) Inc.	Equity-method investments	-	US\$ 37 thousand	100	US\$ 37 thousand	Note 1
Waveplus Technology Co., Ltd.	<u>Stock</u> Waveplus Holding Ltd.	Subsidiary of Waveplus Technology Co., Ltd.	Equity-method investments	1,000	(51)	100	(51)	Notes 1 and 6
Waveplus Holding Ltd.	<u>Stock</u> Waveplus Design, Inc.	Subsidiary of Waveplus Holding Ltd.	Equity-method investments	1,000	US\$ - thousand	100	US\$ - thousand	Note 1
Ventureplus Group Inc.	<u>Stock</u> Ventureplus Mauritius Inc.	Subsidiary of Ventureplus Group Inc.	Equity-method investments	24,700	US\$ 13,814 thousand	100	US\$ 13,814 thousand	Note 1
Ventureplus Mauritius Inc.	<u>Stock</u> Ventureplus Cayman Inc.	Subsidiary of Ventureplus Mauritius Inc.	Equity-method investments	24,700	US\$ 13,818 thousand	100	US\$ 13,818 thousand	Note 1
Ventureplus Cayman Inc.	<u>Stock</u> Sunplus Technology (Shanghai) Co., Ltd.	Subsidiary of Ventureplus Cayman Inc.	Equity-method investments	-	US\$ 9,115 thousand	99	US\$ 9,115 thousand	Note 1
	Sunplus Pro-tek Technology (Shenzhen) Co., Ltd.	Subsidiary of Ventureplus Cayman Inc.	Equity-method investments	-	US\$ 2,228 thousand	100	US\$ 2,228 thousand	Note 1
	SunMedia Technology Co., Ltd.	Subsidiary of Ventureplus Cayman Inc.	Equity-method investments	-	US\$ 2,196 thousand	100	US\$ 2,196 thousand	Note 1
	Sunplus App Technology Co., Ltd.	Subsidiary of Ventureplus Cayman Inc.	Equity-method investments	-	US\$ 265 thousand	80	US\$ 265 thousand	Note 1
Wei-Young Investment Inc.	UNIWILL Co., Ltd.	-	Available-for-sale financial assets	508	4,438	-	4,438	Note 3
Global Techplus Capital Inc.	Techplus Capital Samoa Inc.	Global Techplus Capital Inc.	Equity-method investments	-	US\$ - thousand	100	US\$ - thousand	Note 1
Sunplus Innovation Technology Inc.	Prudential Financial Bound Fund	-	Available-for-sale financial assets	3,313	50,000	-	50,000	Note 5
	NITC Taiwan Bond Fund	-	Available-for-sale financial assets	12,867	187,500	-	187,500	Note 5
Sunplus Core Technology Co., Ltd.	NITC Taiwan Bond Fund	-	Available-for-sale financial assets	790	11,516	-	11,516	Note 5

Note 1: The net asset value was based on unreviewed financial data as of March 31, 2009.

Note 2: The market value is based on carrying value as of March 31, 2009.

Note 3: The market value is based on the closing price as of March 31, 2009.

Note 4: The investment carrying value excluded the carrying value of \$63,401 thousand of the shares of Sunplus Technology Company Limited held by its subsidiary.

(Continued)

Note 5: The market value was based on the net asset value of fund as of March 31, 2009.

Note 6: The credit balance on the carrying value of the equity-method investment is reported as other current liabilities.

Note 7: Includes deferred credits \$33 thousand.

Note 8: Includes deferred credit \$172,822 thousand.

Note 9: Includes deferred credit \$3,503 thousand.

Note 10: As of March 31, 2009, the above marketable securities, except the holdings of Lin Shih Investment Co., Ltd. of the shares of Sunplus Technology Company Limited, with a carrying value \$52,628 thousand and the holdings of Sunplus Technology Limited Company of the shares of Giantplus Technology Company Limited and Orise Technology Company Limited, with carrying values of \$835,171 thousand and \$262,527 thousand respectively, had not been pledged or mortgaged.

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 THREE MONTHS ENDED MARCH 31, 2009
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Issuer of Marketable Security	Financial Statement Account	Beginning Balance		Acquisition		Disposal				Ending Balance	
			Units (Thousands)	Amount (Note 1)	Units (Thousands)	Amount	Unit (Thousands)	Amount	Carrying Value	Gain (Loss) on Disposal	Unit (Thousands)	Amount (Note 1)
Sunplus Technology Company Limited	Prudential Financial Bond Fund	Available-for-sale financial assets	-	\$ -	9,471	\$ 143,000	-	\$ -	\$ -	\$ -	9,471	\$ 143,109
	NITC Taiwan Bond Fund	Available-for-sale financial assets	-	-	10,711	156,000	-	-	-	-	10,711	156,116
	Yuanta Commercial Bank Money Market Common Trust Fund	Available-for-sale financial assets	13,114	135,036	-	-	13,114	135,083	135,036	47	-	-
Orise Technology Co. Ltd.	Jih Sun Bond	Available-for-sale financial assets	3,052	42,904	24,798	349,100	13,215	186,100	185,840	260	14,635	206,113
	NITC Taiwan Bond Fund	Available-for-sale financial assets	-	-	20,734	302,092	10,367	151,092	151,000	92	10,367	151,101
	Prudential Financial Bond Fund	Available-for-sale financial assets	3,823	57,673	8,193	123,770	6,008	90,770	90,503	267	6,008	90,775
	Manulife Bond Fund	Available-for-sale financial assets	-	-	7,571	100,000	6,057	80,014	79,999	15	1,514	20,006
	Polaris De-Bao Fund	Available-for-sale financial assets	-	-	23,562	270,080	11,781	135,080	135,000	80	11,781	135,085
Generalplus Technology Inc.	UPAMC Global Fixed Income Selection Fund	Available-for-sale financial assets	-	-	7,898	121,500	6,625	102,000	101,916	84	1,273	19,584
	Mega Diamond Bond Fund	Available-for-sale financial assets	-	-	25,174	299,500	-	-	-	-	25,174	299,500
	IBT Ta Chong Bond Fund	Available-for-sale financial assets	-	-	11,861	160,000	-	-	-	-	11,861	160,000
Sunplus Innovation Technology Inc.	NITC Taiwan Bond Fund	Available-for-sale financial assets	-	-	13,175	192,000	308	4,500	4,500	-	12,867	187,500

Note: Includes the valuation gains on financial assets.

SUNPLUS TECHNOLOGY COMPANY LIMITED

ACQUISITION OF LONG-TERM INVESTMENTS AT COSTS OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Types of Property	Transaction Date	Transaction Amount	(Payment)/Sale Term	Counter-party	Nature of Relationships	Prior Transaction of Company Related Counter-party				Price Reference	Purpose of Acquisition	Other Terms
							Ownership	Relationships	Transfer Date	Amount			
Sunplus Technology Company Limited	HT mMobile Inc.	2009.03	\$ 172,605	\$ 172,605 (Note)	Sunplus mMobile Inc.	Equity-method investee	-	-	-	\$ -	Note	Equity-method investee	-
	Sunplus mMobile Inc.	2009.03	172,605	(172,605) (Note)	HT mMobile Inc.	Equity-method investee	-	-	-	-	Note	Equity-method investee	-

Note: It was based on the net book value on spun-off date, Sunplus mMobile decrease it's capital to establish HT mMobile Inc. in March 2009.

SUNPLUS TECHNOLOGY COMPANY LIMITED

**TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
THREE MONTHS ENDED MARCH 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Note/Account Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Orise Technology Co., Ltd.	AU Optronics (Labuan) Corporation	Subsidiary of AU Optronics Corp.	Sale	\$124,186	19	Net 120 days from monthly closing dates in principle	Note	Note	\$208,099	33	-

Note: The price and collection terms for products sold to related parties were similar to those for third parties.

SUNPLUS TECHNOLOGY COMPANY LIMITED

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

THREE MONTHS ENDED MARCH 31, 2009

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts and Sales Discounts
					Amount	Action Taken		
Orise Technology Co. Ltd.	AU Optronics (Labuan) Corporation	Subsidiary of AU Optronics Corp.	\$ 208,099	1.25	\$ -	-	\$ -	\$ -

SUNPLUS TECHNOLOGY COMPANY LIMITED

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCES
THREE MONTHS ENDED MARCH 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Sunplus Technology Company Limited	Giantplus Technology Co., Ltd.	Tofen Chen, Miaoli, Taiwan	Manufacture of TN/STN LCDs and LCD modules	\$ 881,314	\$ 881,314	84,652	21	\$ 1,767,470	\$ (497,834)	\$ (103,734)	Investee
	ORISE Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	816,719	816,719	72,090	54	1,261,706	32,517	17,755	Subsidiary
	Sunplus mMedia Inc	Hsinchu, Taiwan	Design of ICs	752,579	752,579	64,500	78	546,744	12,121	(161,762)	Subsidiary
	Sunplus Venture Capital Co., Ltd.	Hsinchu, Taiwan	Investment	999,982	999,982	100,000	100	670,218	5,885	5,885	Subsidiary
	Lin Shih Investment Co., Ltd.	Hsinchu, Taiwan	Investment	699,988	699,988	70,000	100	641,363	19,647	19,647	Subsidiary
	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	146,000	146,000	27,942	41	470,205	(12,445)	(5,086)	Subsidiary
	Ventureplus Group Inc.	Belize	Investment	US\$ 24,700 thousand	US\$ 24,700 thousand	24,700	100	468,270	25,791	25,791	Subsidiary
	Russell Holdings Limited	Cayman Islands, British West Indies.	Investment	US\$ 14,760 thousand	US\$ 14,760 thousand	14,760	100	411,787	(27,218)	(27,146)	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	308,000	308,000	22,660	84	397,606	6,261	5,244	Subsidiary
	Sunext Technology Co., Ltd.	Hsinchu, Taiwan	Design and sale of ICs	946,705	946,705	78,995	79	322,995	99,933	78,937	Subsidiary
	Sunplus Core Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	105,470	105,470	8,898	57	564	(30,329)	(17,299)	Subsidiary
	Waveplus Technology Co., Ltd.	Hsinchu, Taiwan	Design and sale of ICs	35,517	35,517	1,302	41	18,161	3,488	1,419	Subsidiary
	Goldkey Technology Corp.	Taipei, Taiwan	Design of ICs	-	25,541	-	-	-	2,672	312	Investee
	Global Techplus Capital Inc.	Seychelles	Investment	US\$ 200 thousand	US\$ 200 thousand	200	100	8,118	1	1	Subsidiary
	Wei-Young Investment Inc.	Hsinchu, Taiwan	Investment	14,000	14,000	1,400	100	6,547	(6)	(6)	Subsidiary
	Sunplus Technology (H.K.) Co., Ltd.	Kowloon Bay, Hong Kong	International trade	HK\$ 11,075 thousand	HK\$ 11,075 thousand	11,075	100	6,276	1,294	1,294	Subsidiary
	Sunplus Management Consulting Inc.	Hsinchu, Taiwan	Management	5,000	5,000	500	100	4,178	(16)	(16)	Subsidiary
	Sunplus mMobile Inc.	Hsinchu, Taiwan	Design of ICs	1,507,395	1,680,000	102,739	91	(416,712)	(105,521)	(102,965)	Subsidiary
	HT mMobile Inc.	Hsinchu, Taiwan	Design of ICs	172,605	-	17,261	91	115,850	(62,431)	(56,755)	Subsidiary
	Lin Shih Investment Co., Ltd.	Goldkey Technology Corp.	Taipei, Taiwan	Design of ICs	-	18,402	-	-	-	2,672	315
Sunext Technology Co., Ltd.		Hsinchu, Taiwan	Design and sale of ICs	369,316	369,316	6,499	7	14,995	99,933	6,495	Subsidiary
Waveplus Technology Co., Ltd.		Hsinchu, Taiwan	Design and sale of ICs	91,726	91,726	522	16	7,278	3,488	569	Subsidiary
Sunplus Core Technology Co., Ltd.		Hsinchu, Taiwan	Design of ICs	20,000	20,000	2,000	13	125	(30,329)	(3,888)	Subsidiary
SunPlus mMobile Inc.		Hsinchu, Taiwan	Design of ICs	38,376	42,770	2,616	2	5,275	(105,521)	(2,442)	Subsidiary
HT mMobile Inc.		Hsinchu, Taiwan	Design of ICs	4,394	-	439	2	2,949	(62,431)	(1,445)	Subsidiary
SunPlus mMedia Inc.		Hsinchu, Taiwan	Design of ICs	35,085	34,755	2,513	3	32,152	12,121	366	Subsidiary
Sunplus Innovation Technology Inc.		Hsinchu, Taiwan	Design of ICs	7,145	6,234	517	2	7,645	6,261	116	Subsidiary
Generalplus Technology Inc.		Hsinchu, Taiwan	Design of ICs	65,000	65,000	12,653	19	212,907	(12,445)	(2,303)	Subsidiary
Sunplus Venture Capital Co., Ltd.	Joining Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	51,000	51,000	3,400	39	-	-	-	Investee
	Sunext Technology Co., Ltd.	Hsinchu, Taiwan	Design and sale of ICs	385,709	385,709	8,571	9	19,735	99,933	8,565	Subsidiary
	Han Young Technology Co., Ltd.	Taipei, Taiwan	Design of ICs	4,200	4,200	420	70	1,780	-	-	Subsidiary
	Waveplus Technology Co., Ltd.	Hsinchu, Taiwan	Design and sale of ICs	76,016	76,016	387	12	5,395	3,488	422	Subsidiary
	Orise Technology Co, Ltd.	Hsinchu, Taiwan	Design of ICs	10,800	10,800	865	1	14,556	32,517	77	Subsidiary
	Sunplus Core Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	20,000	20,000	2,000	13	125	(30,329)	(3,888)	Subsidiary
	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	15,000	15,000	2,920	4	49,141	(12,445)	(532)	Subsidiary
	SunPlus mMobile Inc.	Hsinchu, Taiwan	Design of ICs	1,784	1,988	122	-	1,782	(105,521)	(114)	Subsidiary
	HT mMobile Inc.	Hsinchu, Taiwan	Design of ICs	204	-	20	-	137	(62,431)	(67)	Subsidiary
	SunPlus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	116,679	116,679	10,000	12	111,314	12,121	1,469	Subsidiary
Russell Holdings Limited	Jet Focus Limited	Cayman Islands, British West Indies	Investment	US\$ 6,050 thousand	US\$ 6,050 thousand	4,794	44	US\$ (350) thousand	US\$ (17) thousand	US\$ - thousand	Investee
	Synerchip Co., Ltd.	Mauritius	Investment	US\$ 3,070 thousand	US\$ 3,070 thousand	4,236	25	US\$ 340 thousand	US\$ (1,310) thousand	US\$ (328) thousand	Investee

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Sunext Technology Co., Ltd.	Sunext Technology Co., Ltd.	Hsinchu, Taiwan	Design and sale of ICs	US\$ 2,119 thousand	US\$ 2,119 thousand	855	1	US\$ 2,149 thousand	\$ 99,933	US\$ 25 thousand	Subsidiary
	Great Sun Corp.	SAMOA	Investment	US\$ 1,750 thousand	US\$ 1,750 thousand	1,750	100	33,919	(2,778)	(2,778)	Subsidiary
	Great Prosperous Corp.	Mauritius	Investment	US\$ 180 thousand	US\$ - thousand	-	100	4,468	(1,753)	(1,753)	Subsidiary
Great Sun Corp.	Sunext (Mauritius) Inc.	Mauritius	Investment	US\$ 750 thousand	US\$ 750 thousand	750	100	US\$ 37 thousand	US\$ (82) thousand	US\$ (82) thousand	Subsidiary
Sunext (Mauritius) Inc.	Sunext Technology (Shanghai) Co., Ltd.	Shanghai, China	Design of software	US\$ 750 thousand	US\$ 750 thousand	-	100	US\$ 37 thousand	US\$ (82) thousand	US\$ (82) thousand	Subsidiary
Ventureplus Group Inc.	Ventureplus Mauritius Inc.	Mauritius	Investment	US\$ 24,700 thousand	US\$ 24,700 thousand	24,700	100	US\$ 13,814 thousand	US\$ 759 thousand	US\$ 759 thousand	Subsidiary
Ventureplus Mauritius Inc.	Ventureplus Cayman Inc.	Cayman Islands, British West Indies	Investment	US\$ 24,700 thousand	US\$ 24,700 thousand	24,700	100	US\$ 13,818 thousand	US\$ 759 thousand	US\$ 759 thousand	Subsidiary
Ventureplus Cayman Inc.	Sunplus Technology (Shanghai) Co., Ltd.	Shanghai, China	Manufacture and sale of ICs.	US\$ 17,000 thousand	US\$ 17,000 thousand	-	99	US\$ 9,115 thousand	US\$ 241 thousand	US\$ 238 thousand	Subsidiary
	Sunplus Prof-tek Technology (Shenzhen) Co., Ltd.	ShenZhen, China	Research, development, manufacture and sale of ICs.	US\$ 4,250 thousand	US\$ 4,250 thousand	-	100	US\$ 2,228 thousand	US\$ (34) thousand	US\$ (34) thousand	Subsidiary
	SunMedia Technology Co., Ltd.	Chengdu, China	Research, development, manufacture and sale of ICs.	US\$ 3,000 thousand	US\$ 3,000 thousand	-	100	US\$ 2,196 thousand	US\$ 653 thousand	US\$ 653 thousand	Subsidiary
	Sunplus App Technology Co., Ltd	Beijing, China	Research, development, manufacture and sale of ICs.	US\$ 450 thousand	US\$ 450 thousand	-	80	US\$ 265 thousand	US\$ (122) thousand	US\$ (97) thousand	Subsidiary
Waveplus Technology Co., Ltd.	Waveplus Holding Ltd.	Mauritius	Investment	US\$ 500 thousand	US\$ 500 thousand	1,000	100	(51)	-	-	Subsidiary
Waveplus Holding Ltd.	Waveplus Design, Inc.	U.S.A.	Design of WLANs	US\$ 500 thousand	US\$ 500 thousand	1,000	100	US\$ - thousand	US\$ - thousand	US\$ - thousand	Subsidiary
Generalplus Technology Inc.	Generalplus International (Samoa) Inc.	SAMOA	Investment	US\$ 3,790 thousand	US\$ 3,090 thousand	3,790	100	9,971	(24,258)	(24,258)	Subsidiary
Generalplus International (SAMOA) Inc.	Generalplus (Mauritius) Inc.	Mauritius	Investment	US\$ 3,790 thousand	US\$ 3,090 thousand	3,790	100	US\$ 312 thousand	US\$ (727) thousand	US\$ (727) thousand	Subsidiary
Generalplus (Mauritius) Inc.	Generalplus Technology (Shenzhen) Co., Ltd.	Shenzhen, China	After-sales service	US\$ 3,400 thousand	US\$ 2,700 thousand	-	100	US\$ 295 thousand	US\$ (667) thousand	US\$ (667) thousand	Subsidiary
	Genralplus Technology (Hong Kong) Inc.	Hong Kong	Sales	US\$ 390 thousand	US\$ 390 thousand	-	100	US\$ 17 thousand	US\$ (60) thousand	US\$ (60) thousand	Subsidiary
Sunplus mMobile Inc.	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	7,000	7,000	500	1	5,528	12,121	-	Subsidiary
	Sunplus mMobile SAS	France	Design of ICs	EUR 237 thousand	EUR 237 thousand	237	100	7,542	(3,776)	(3,776)	Subsidiary
	Sunplus mMobile Limited	U.K.	Design of ICs	GBP 1,710 thousand	GBP 500 thousand	1,710	100	1,860	(559)	(559)	Subsidiary
	Sunplus mMobile Holding Inc.	SAMOA	Investment	US\$ 2,580 thousand	US\$ 2,580 thousand	2,580	100	(36)	(2,235)	(2,235)	Subsidiary
Sunplus mMobile Holding Inc.	Bright Sunplus mMobile Inc.	Mauritius	Research and development of intellectual property rights	US\$ 2,580 thousand	US\$ 2,515 thousand	2,580	100	US\$ 1 thousand	US\$ (66) thousand	US\$ (66) thousand	Subsidiary
Global Techplus Capital Inc.	Techplus Capital Samoa Inc.	SAMOA	Investment	US\$ - thousand	US\$ - thousand	-	100	US\$ - thousand	US\$ - thousand	US\$ - thousand	Subsidiary

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

FORWARD EXCHANGE CONTRACTS OF INVESTEE COMPANY

Orise Technology used derivative contracts for the three months ended March 31, 2009 to hedge the effect of exchange rate fluctuations on net foreign currency, Orise Technology didn't have outstanding forward exchange contracts during the three months ended March 31, 2009.

Net loss arising from financial assets designated at fair value through profit or losses was \$10,012 thousand for the three months ended March 31, 2009.

SUNPLUS TECHNOLOGY COMPANY LIMITED

INVESTMENT IN MAINLAND CHINA
THREE MONTHS ENDED MARCH 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (e.g., Direct or Indirect)	Accumulated Outflow of Investment from Taiwan as of January 1, 2009	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2009	% Ownership of Direct or Indirect Investment	Investment Loss	Carrying Value as of March 31, 2009	Accumulated Inward Remittance of Earnings as of March 31, 2009
					Outflow	Inflow					
Sunplus Technology (Shanghai) Co., Ltd.	Manufacturing and sale of consumer ICs	US\$ 17,200 thousand	Note 1	US\$ 17,000 thousand	US\$ - thousand	US\$ - thousand	US\$ 17,000 thousand	99%	US\$ 238 thousand	US\$ 9,115 thousand	US\$ - thousand
Sunplus Prof-tek (ShenZhen) Co., Ltd.	Development and sale of computer software. Service of System Integration	US\$ 4,250 thousand	Note 1	US\$ 4,250 thousand	US\$ - thousand	US\$ - thousand	US\$ 4,250 thousand	100%	US\$ (34) thousand	US\$ 2,228 thousand	US\$ - thousand
Sun Media Technology Co., Ltd.	Manufacturing and sale of computer software. Service of system Integration	US\$ 3,000 thousand	Note 1	US\$ 3,000 thousand	US\$ - thousand	US\$ - thousand	US\$ 3,000 thousand	100%	US\$ 653 thousand	US\$ 2,196 thousand	US\$ - thousand
Sunplus App Technology Co., Ltd	Manufacturing and sale of computer software. Service of System Integration and information management education	RMB 3,750 thousand	Note 1	US\$ 450 thousand	US\$ - thousand	US\$ - thousand	US\$ 450 thousand	80%	US\$ (97) thousand	US\$ 265 thousand	US\$ - thousand

Accumulated Investment in Mainland China as of March 31, 2009	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on Investment
US\$24,700 thousand	US\$52,800 thousand	\$6,336,338

Note 1: The Company invested in company located in Mainland China indirectly through the investing company in the third country.

Note 2: Significant direct or indirect transactions with investees, prices, terms of payment, unrealized gain or loss and other information which is useful to understand the impacts on the financial statements from investments in Mainland China.