

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

DESCRIPTION	Capital stock	Capital surplus	Retained earnings				Other equity			Treasury stock	Total shareholder's equity
			Legal reserve	Special reserve	Unappropriated earnings	Total	Net loss not recognized as pension cost	Unrealized gain (loss) on financial instruments	Unrealized revaluation increment		
BALANCE, JANUARY 1, 2007	\$5,125,261	\$ 521,012	\$ 177,904	\$ 50,572	\$ 201,932	\$ 430,408	\$ (38,492)	\$ 172,221	\$1,167,626	\$ —	\$7,378,036
Special reserve	—	—	—	(12,080)	12,080	—	—	—	—	—	—
Legal reserve	—	—	21,266	—	(21,266)	—	—	—	—	—	—
Bonus to employees	—	—	—	—	(1,914)	(1,914)	—	—	—	—	(1,914)
Bonus to directors and supervisors	—	—	—	—	(1,914)	(1,914)	—	—	—	—	(1,914)
Cash dividends	—	—	—	—	(183,430)	(183,430)	—	—	—	—	(183,430)
Conversion of convertible bonds	115,563	43,300	—	—	—	—	—	—	—	—	158,863
Unrealized loss on financial assets	—	—	—	—	—	—	—	(48,073)	—	—	(48,073)
Adjustment in stockholders' equity of investee company	—	—	—	—	—	—	—	(25,258)	—	—	(25,258)
Recognition on unrealized revaluation increment by disposal of land	—	—	—	—	12,283	12,283	—	—	(12,283)	—	—
Net income for the six months ended june 30, 2007	—	—	—	—	91,847	91,847	—	—	—	—	91,847
BALANCE, JUNE 30, 2007	\$5,240,824	\$ 564,312	\$ 199,170	\$ 38,492	\$ 109,618	\$ 347,280	\$ (38,492)	\$ 90,890	\$1,155,343	\$ —	\$7,368,157
BALANCE, JANUARY 1, 2008	\$5,240,824	\$ 564,313	\$ 199,170	\$ 38,492	\$ 255,903	\$ 493,565	\$ (4,158)	\$ (61,083)	\$1,131,456	\$ (11,770)	\$7,353,147
Special reserve	—	—	—	26,749	(26,749)	—	—	—	—	—	—
Legal reserve	—	—	25,042	—	(25,042)	—	—	—	—	—	—
Bonus to employees	—	—	—	—	(2,000)	(2,000)	—	—	—	—	(2,000)
Bonus to directors and supervisors	—	—	—	—	(2,000)	(2,000)	—	—	—	—	(2,000)
Cash dividends	—	—	—	—	(183,154)	(183,154)	—	—	—	—	(183,154)
Acquisition and retirement of treasury stock	(7,860)	(840)	—	—	(3,070)	(3,070)	—	—	—	11,770	—
Unrealized gain on financial assets	—	—	—	—	—	—	—	27,470	—	—	27,470
Adjustment in stockholders' equity of investee company	—	—	—	—	—	—	—	12,856	—	—	12,856
Recognition on unrealized revaluation increment by disposal of land	—	—	—	—	—	—	—	—	(26,730)	—	(26,730)
Net income for the six months ended june 30, 2008	—	—	—	—	421,548	421,548	—	—	—	—	421,548
BALANCE, JUNE 30, 2008	\$5,232,964	\$ 563,473	\$ 224,212	\$ 65,241	\$ 435,436	\$ 724,889	\$ (4,158)	\$ (20,757)	\$1,104,726	\$ —	\$7,601,137