

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

CODE	DESCRIPTION	2008		2007	
		AMOUNT	%	AMOUNT	%
4000	Operating revenue	\$ 2,915,245	100	\$ 2,127,325	100
4110	Sales	1,214,731	42	1,197,307	56
4170	Less: Sales returns	(6,969)	-	(9,841)	(1)
4190	Sales allowances	(7,260)	(1)	(7,563)	-
4100	Net sales	1,200,502	41	1,179,903	55
4330	Rental revenue	190,411	7	170,528	8
4500	Construction revenue	1,524,332	52	776,894	37
5000	Operating costs	1,642,683	56	1,381,288	65
5110	Cost of goods sold	1,069,338	37	1,079,130	51
5300	Rental cost	68,067	2	72,656	3
5500	Construction cost	505,278	17	229,502	11
5910	Gross profit	1,272,562	44	746,037	35
6000	Operating expenses	316,781	11	354,304	17
6100	Selling expenses	167,144	6	109,490	5
6200	General and administrative expenses	132,993	4	226,112	11
6300	Research and development expenses	16,644	1	18,702	1
6900	Operating income	955,781	33	391,733	18
7100	Nonoperating income and gains	100,274	3	123,650	6
7110	Interest income	5,035	-	6,303	-
7122	Dividend income	10,244	-	28,640	2
7140	Gain on sale of investments	35,034	1	69,107	3
7160	Exchange gain	7,874	-	5,769	-
7310	Valuation gain on financial assets	27,308	1	-	-
7480	Miscellaneous income	14,779	1	13,831	1
7500	Nonoperating expenses and losses	111,516	4	244,909	11
7510	Interest expense	2,631	-	4,106	-
7521	Investment loss on equity method	29,120	1	85,280	4
7522	Other investment losses	94	-	566	-
7530	Loss on disposal of fixed assets	1,162	-	438	-
7550	Loss on physical inventory	6,215	-	6,021	-
7570	Provision for loss on inventories	7,398	1	2,334	-
7630	Impairment loss	62,000	2	-	-
7640	Valuation loss on financial assets	-	-	141,823	7
7880	Miscellaneous expenses	2,896	-	4,341	-
7900	Income before income tax from continuing operations	944,539	32	270,474	13
8110	Income tax expense	(28,442)	(1)	(20,060)	(1)
9600	Net income	\$ 916,097	31	\$ 250,414	12
9750	Basic earnings per share				
		Before income tax	After income tax	Before income tax	After income tax
9750	Net income	\$ 1.83	\$ 1.77	\$ 0.52	\$ 0.48