

English Translation of Financial Statements Originally Issued in Chinese  
ASUSTEK COMPUTER INC.  
NON-CONSOLIDATED STATEMENTS OF INCOME (Unaudited)  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2006 AND 2005  
(Expressed in New Taiwan Thousand Dollars except for Earnings Per Share)

|  | Notes    | 2006                | (Restated)<br>2005  |
|--|----------|---------------------|---------------------|
| SALES REVENUES                             | V        | \$72,110,374        | \$20,487,331        |
| COSTS OF SALES                             | IV.17,V  | <u>(67,958,693)</u> | <u>(16,632,222)</u> |
| GROSS PROFIT                               |          | 4,151,681           | 3,855,109           |
| LESS: UNREALIZED GROSS PROFIT              | II,IV.8  | (363,599)           | (395,553)           |
| ADD: REALIZED GROSS PROFIT                 | II,IV.8  | 426,204             | 439,679             |
| REALIZED GROSS PROFIT                      |          | 4,214,286           | 3,899,235           |
| OPERATING EXPENSES                         | IV.17,V  | <u>(3,296,987)</u>  | <u>(2,205,472)</u>  |
| OPERATING INCOME                           |          | <u>917,299</u>      | <u>1,693,763</u>    |
| <br>NON-OPERATING INCOME AND GAIN          |          |                     |                     |
| Interest income                            |          | 100,986             | 69,363              |
| Investment income                          | II,IV.8  | 2,796,509           | 3,291,322           |
| Gain on disposal of property and equipment |          | 88                  | 218                 |
| Gain on disposal of short-term investments |          | 21,297              | 9,510               |
| Gain on foreign exchange                   |          | 564,173             | -                   |
| Unrealized profit of financial assets      |          | 2,009               | -                   |
| Others                                     | V        | 384,730             | 90,953              |
| Total                                      |          | <u>3,869,792</u>    | <u>3,461,366</u>    |
| <br>NON-OPERATING EXPENSES AND LOSS        |          |                     |                     |
| Interest expense                           |          | -                   | 1,151               |
| Loss on disposal of property and equipment |          | -                   | 5,122               |
| Loss on inventories                        |          | 1,014               | -                   |
| Loss on foreign exchange                   |          | -                   | 18,379              |
| Others                                     |          | 3,403               | 8,503               |
| Total                                      |          | <u>4,417</u>        | <u>33,155</u>       |
| <br>INCOME BEFORE INCOME TAX               |          |                     |                     |
|  |          | 4,782,674           | 5,121,974           |
| INCOME TAX EXPENSE                         | II,IV.18 | <u>(575,560)</u>    | <u>(199,751)</u>    |
| INCOME FROM CONTINUING OPERATIONS          |          | 4,207,114           | 4,922,223           |
| EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES | II       | 8,903               | -                   |
| NET INCOME                                 |          | <u>\$4,216,017</u>  | <u>\$4,922,223</u>  |
| <br>PRIMARY EARNINGS PER SHARE             |          |                     |                     |
|  | IV.19    |                     |                     |
| INCOME FROM CONTINUING OPERATIONS          |          | \$1.39              | \$1.68              |
| EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES |          | 0.01                | -                   |
| NET INCOME                                 |          | <u>\$1.40</u>       | <u>\$1.68</u>       |
| <br>DILUTED EARNINGS PER SHARE             |          |                     |                     |
|  |          |                     |                     |
| INCOME FROM CONTINUING OPERATIONS          |          | \$1.31              | \$1.59              |
| EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES |          | 0.00                | -                   |
| NET INCOME                                 |          | <u>\$1.31</u>       | <u>\$1.59</u>       |

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

English Translation of Financial Statements Originally Issued in Chinese  
ASUSTEK COMPUTER INC.  
NON-CONSOLIDATED BALANCE SHEETS(Unaudited)  
MARCH 31, 2006 AND 2005  
(Expressed in New Taiwan Thousand Dollars)

| ASSETS  | Notes         | 2006               | (Restated)<br>2005 | LIABILITIES AND STOCKHOLDERS' EQUITY             | Notes    | 2006               | (Restated)<br>2005 |
|---|---------------|--------------------|--------------------|--|----------|--------------------|--------------------|
| <b>CURRENT ASSETS</b>   |               |                    |                    | <b>CURRENT LIABILITIES</b>                       |          |                    |                    |
| Cash and cash equivalents                                     | II,IV.1       | \$15,183,627       | \$12,491,684       | Notes payable                                    | V        | \$427,606          | \$673,805          |
| Financial assets at fair value through profit or loss-current | II,IV.2       | 2,908,775          | 12,587,678         | Accounts payable                                 |          | 42,303,603         | 8,666,865          |
| Notes receivable-Net  | II,IV.3       | -                  | 7,071              | Accounts payable-affiliated company              | II,V     | 15,494,807         | 1,526,047          |
| Accounts receivable-Net                                       | II,IV.3       | 23,698,959         | 5,430,617          | Income tax payable                               | II,IV.18 | 2,221,117          | 1,670,690          |
| Accounts receivable-affiliated company-Net                    | II,IV.3,V     | 15,951,850         | 4,544,894          | Accrued expenses                                 | II,V     | 7,847,000          | 2,372,808          |
| Other receivable  | II,IV.4       | 1,266,247          | 255,593            | Other payables                                   |          | 176,369            | 267,650            |
| Other receivable-affiliated company-Net                       | II,IV.4,V     | 2,264,065          | 4,765,372          | Receipts in advance                              | V        | 2,804,145          | 1,606,933          |
| Inventories-Net   | II,IV.5       | 42,869,588         | 10,084,396         | Other current liabilities                        |          | 174,312            | 101,777            |
| Prepayments   | V             | 160,494            | 149,324            | Total Current Liabilities                        |          | <u>71,448,959</u>  | <u>16,886,575</u>  |
| Other current assets  | VI            | 143,130            | 143,186            |  |          |                    |                    |
| Deferred income tax assets-current                            | II,IV.18      | 189,396            | 170,013            | <b>LONG-TERM DEBT</b>                            |          |                    |                    |
| Total Current Assets  |               | <u>104,636,131</u> | <u>50,629,828</u>  | Bonds payable                                    | II,IV.12 | 6,647,726          | 10,057,116         |
|   |               |                    |                    | Total Long-term Debt                             |          | <u>6,647,726</u>   | <u>10,057,116</u>  |
| <b>LONG-TERM INVESTMENTS</b>                                  |               |                    |                    | <b>OTHER LIABILITIES</b>                         |          |                    |                    |
| Available-for-sale financial assets-noncurrent                | II,IV.6       | 6,285,800          | 156,027            | Deposits received                                | V        | 15,777             | 14,835             |
| Financial assets evaluated by cost method-noncurrent          | II,IV.7       | 3,186              | 26,833             | Deferred credits                                 | II,IV.8  | 647,479            | 693,246            |
| Long-term investments evaluated by equity method              | II,IV.8       | 74,745,573         | 61,409,846         | Deferred income tax liabilities-noncurrent       | II,IV.18 | 791,824            | -                  |
| Total Long-term Investments                                   |               | <u>81,034,559</u>  | <u>61,592,706</u>  | Total Other Liabilities                          |          | <u>1,455,080</u>   | <u>708,081</u>     |
|   |               |                    |                    | Total Liabilities                                |          | <u>79,551,765</u>  | <u>27,651,772</u>  |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>                          |               |                    |                    | <b>STOCKHOLDERS' EQUITY</b>                      |          |                    |                    |
| Land  | II,IV.9,V     | 3,090,708          | 3,252,456          | Capital stock                                    | IV.13    | 30,400,638         | 26,264,676         |
| Buildings and equipment                                       |               | 4,373,475          | 4,380,576          |  |          |                    |                    |
| Machinery and equipment                                       |               | 1,972,606          | 1,714,181          | Additional paid-in capital                       | IV.14    |                    |                    |
| Instrument equipment  |               | 1,045,614          | 805,782            | Premium on capital stock                         |          | 17,813,532         | 12,705,236         |
| Transportation equipment                                      |               | 38,248             | 37,310             | Premium on conversion of bonds                   |          | 3,111,797          | -                  |
| Office equipment  |               | 20,806             | 20,873             | Treasury stock transactions                      |          | 617                | 617                |
| Miscellaneous equipment                                       |               | 534,766            | 443,079            | Others   |          | 569,883            | -                  |
| Warehousing equipment   |               | 38,477             | 37,135             | Total additional paid-in capital                 |          | <u>21,495,829</u>  | <u>12,705,853</u>  |
| Total Costs   |               | <u>11,114,700</u>  | <u>10,691,392</u>  |  |          |                    |                    |
| Less: Accumulated depreciation                                |               | <u>(2,572,090)</u> | <u>(1,996,698)</u> | Retained earnings                                |          |                    |                    |
| Add: Prepayments on purchase of equipment                     |               | 136,419            | 446,165            | Legal reserve                                    | IV.15    | 10,852,599         | 9,342,707          |
| Property, Plant and Equipment-Net                             |               | <u>8,679,029</u>   | <u>9,140,859</u>   | Special reserve                                  | IV.16    | 2,529,690          | 41,369             |
|   |               |                    |                    | Unappropriated earnings                          | IV.16    | 52,426,932         | 49,542,638         |
|   |               |                    |                    | Total retained earnings                          |          | <u>65,809,221</u>  | <u>58,926,714</u>  |
| <b>OTHER ASSETS</b>   |               |                    |                    | <b>Other adjustments of stockholders' equity</b> |          |                    |                    |
| Assets leased to others                                       | IV.10         | 251,165            | 90,634             | Translation adjustments                          | II       | <u>(1,189,211)</u> | <u>(2,747,075)</u> |
| Refundable deposits   | VI            | 267,360            | 235,447            | Unrealized profit/(loss) of financial assets     | II       | <u>806,392</u>     | <u>(131,724)</u>   |
| Deferred charges  | II            | 892,771            | 719,241            |  |          |                    |                    |
| Accounts receivable-overdue                                   | II,IV.11,VII. | 55,190             | 55,627             |  |          |                    |                    |
| Long-term accounts receivable-affiliated company              | II,IV.3,V     | 923,037            | 100,077            |  |          |                    |                    |
| Deferred income tax assets-noncurrent                         | II,IV.18      | -                  | 3,690              |  |          |                    |                    |

|                    |   |                      |                      |   |                      |                      |
|--------------------|---|----------------------|----------------------|---|----------------------|----------------------|
| Others             | V | <u>135,392</u>       | <u>102,107</u>       | Total other adjustments of stockholders' equity | <u>(382,819)</u>     | <u>(2,878,799)</u>   |
| Total Other Assets |   | <u>2,524,915</u>     | <u>1,306,823</u>     | Total Stockholders' Equity                      | <u>117,322,869</u>   | <u>95,018,444</u>    |
| TOTAL ASSETS       |   | <u>\$196,874,634</u> | <u>\$122,670,216</u> | TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY      | <u>\$196,874,634</u> | <u>\$122,670,216</u> |

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

English Translation of Financial Statements Originally Issued in Chinese  
ASUSTEK COMPUTER INC.  
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2006 AND 2005  
(Expressed in New Taiwan Thousand Dollars)

|  |              | (Restated)  |   |              | (Restated)   |
|--|--------------|-------------|---|--------------|--------------|
|  | 2006         | 2005        |   | 2006         | 2005         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |              |             | <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |              |              |
| Net income   | \$4,216,017  | \$4,922,223 | Purchases of long-term investments                                  | (949,875)    | (1,140,275)  |
| Adjustments to reconcile net income to net cash provided by operating activities:    |              |             | (Increase)/Decrease in refundable deposits                          | 72,588       | 469          |
| Exchange gains from foreign currency deposits transaction                            | (1,701)      | (34,555)    | (Increase)/Decrease in deferred charges                             | (107,770)    | (170,152)    |
| Depreciation   | 161,089      | 142,314     | Purchase of property, plant and equipment                           | (155,205)    | (325,066)    |
| Amortization   | 114,267      | 87,737      | Proceeds from disposal of property, plant and equipment             | 1,301        | 3,773        |
| Investment income under equity method  | (2,796,509)  | (3,291,322) | Proceeds from disposal of deferred charges                          | 149          | 2,217        |
| Other expense of assets leased to others   | 530          | 515         | Proceeds from disposal of long-term investments                     | 3,118        | -            |
| Gain on disposal of property and equipment   | (88)         | (218)       | (Increase)/Decrease in other assets                                 | (55,196)     | (49,984)     |
| Loss on disposal of property and equipment   | -            | 5,122       | Net cash used in investing activities                               | (1,190,890)  | (1,679,018)  |
| Loss/(Gain) on disposal of deferred charges  | 236          | (355)       | <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |              |              |
| Loss on obsolescence of property and equipment                                       | 28           | 3,766       | Increase/(Decrease) in short-term loans                             | (120)        | -            |
| Property and equipment transferred to other accounts                                 | 34,042       | 77,330      | Increase/(Decrease) in deposits received                            | 625          | 7,256        |
| Amortization of premium on bonds payable   | (2,343)      | (2,741)     | Net cash provided by financing activities                           | 505          | 7,256        |
| Amortization of deferred bond issuance costs   | 2,978        | 3,788       | Effects of changes in exchange rate                                 | 1,701        | 34,555       |
| Gain on foreign exchange of bonds payable  | (147,051)    | (52,800)    |   |              |              |
| Changes in operating assets and liabilities:   |              |             | NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS                | 4,609,475    | (372,239)    |
| (Increase)/Decrease in financial assets at fair value through profit or loss-current | 6,188,605    | 619,391     | CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD                  | 10,574,152   | 12,863,923   |
| (Increase)/Decrease in notes receivable-net  | 3,261        | 10,258      | CASH AND CASH EQUIVALENTS, END OF THE PERIOD                        | \$15,183,627 | \$12,491,684 |
| (Increase)/Decrease in accounts receivable-net                                       | 1,796,860    | (710,107)   |   |              |              |
| (Increase)/Decrease in accounts receivable-affiliated company-net                    | 6,141,103    | 157,992     | <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION:</b>          |              |              |
| (Increase)/Decrease in other receivable  | (345,810)    | 20,927      | Cash paid during the period for:                                    |              |              |
| (Increase)/Decrease in other receivable-affiliated company-net                       | 23,959       | 50,928      | Interest  | \$-          | \$1,151      |
| (Increase)/Decrease in inventories-net   | 3,916,056    | (723,779)   | Income tax  | \$515,262    | \$6,126      |
| (Increase)/Decrease in prepayments   | (18,784)     | (38,875)    |   |              |              |
| (Increase)/Decrease in other current assets (not including pledged time deposits)    | (30,942)     | (7,914)     | <b>INVESTING AND FINANCING ACTIVITIES NOT AFFECTING CASH FLOWS:</b> |              |              |
| (Increase)/Decrease in deferred income tax assets-current                            | (6,859)      | (23,079)    | Bonds payable converted to capital stock                            | \$418,799    | \$-          |
| (Increase)/Decrease in deferred income tax assets-noncurrent                         | -            | (65)        | Premium on bonds payable converted to capital stock                 | \$2,852,151  | \$-          |
| (Increase)/Decrease in accounts receivable-overdue                                   | -            | 316         | Portion of deferred bond issuance costs for bond converted          | \$14,349     | \$-          |
| (Increase)/Decrease in long-term accounts receivable-affiliated company              | (921,030)    | 23,187      |   |              |              |
| Increase/(Decrease) in deferred income tax liabilities-noncurrent                    | 387,874      | -           |   |              |              |
| Increase/(Decrease) in notes payable   | 11,306       | (107,797)   |   |              |              |
| Increase/(Decrease) in accounts payable  | (12,527,737) | (534,695)   |   |              |              |
| Increase/(Decrease) in accounts payable-affiliated company                           | (1,965,720)  | 1,526,047   |   |              |              |
| Increase/(Decrease) in accrued expenses  | 1,592,483    | (677,932)   |   |              |              |
| Increase/(Decrease) in other payables  | (434,485)    | (164,909)   |   |              |              |
| Increase/(Decrease) in receipts in advance   | 744,988      | 60,286      |   |              |              |
| Increase/(Decrease) in other current liabilities                                     | 53,977       | (230,083)   |   |              |              |
| Increase/(Decrease) in income tax payable  | (320,717)    | 216,770     |   |              |              |
| Increase/(Decrease) in compensating interest receivable                              | (9,119)      | (18,576)    |   |              |              |
| Increase/(Decrease) in deferred credits  | (62,605)     | (44,127)    |   |              |              |
| Net cash provided by operating activities  | 5,798,159    | 1,264,968   |   |              |              |

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