

CHAIRMAN'S STATEMENT

Dear Shareholders,

This past year has been marked by significant achievements and continued progress in every segment of our business. Our global management team is proud to be part of an organization that has produced another year of record-setting results, in revenue as well as in net profit, while becoming the largest handset manufacturing service provider in the world!

It is our pleasure to present to you the operating results of Foxconn International Holdings Limited ("FIH") for the year ended 31 December 2005.

Revenue for the year reached US\$6,364 million, which represents an increase of US\$3,056 million, approximately 92% over the prior year revenue of US\$3,308 million. Net profit also reached a record high of US\$386 million, representing an increase of approximately 113% over the prior year amount of US\$181 million.

In 2005, we continued to execute our core strategies. We have strengthened and extended the end-to-end solution offering. At one end of the spectrum, via the Chi Mei Communication Systems, Inc. acquisition, we have upgraded our R&D capabilities to accommodate the ever-growing need for complete product design solutions. At the other end, we have established new facilities to support our customers' service and repair requirements.

Vertical integration and cost competitiveness, both trademarks of FIH's uniqueness, are critical in our customers' selection of a strategic manufacturing service provider. Here too, we have developed and invested in capabilities that have lengthened the "one stop shopping" list that we can offer to our customers to help them cope with the market's demand for more creative design. Our goal is to not only offer more, but to offer it faster.

The pursuit of operation excellence was also a major initiative for the past year and remains a constant driver for the entire management team. We have invested in resources and technologies that drive efficiency, yield, and productivity. Enhancements to our information system continued in order to support these efforts.

Globalization remains one of our growth drivers as our customers have expressed their need to be close to their end markets. In order to strengthen our competitive edge and to more closely align with our customers we have increased our investments and capacity in the BRIC countries (Brazil, Russia, India and China) that are expected to have significant market growth. Our expanded Hungary facility will support Russia.

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FIH's tremendous achievements in 2005 were accomplished in an environment of intense competition. For 2006, significant challenges remain. We are aware of increasing competition and complexity due to creative product designs and new technologies. However, we believe that the successes and the lessons learned in the past year put us in a unique position of expanding our market leadership. With the continued flawless execution of our strategies, coupled with the depth and breadth of FIH's solution offering to our customers, we have put ourselves in a position to be extremely excited for 2006, and beyond.

On behalf of the management team, I take this opportunity to express our gratitude to those that have made these achievements possible, including but not limited to: all members of the Board for their valuable input and critical analysis; all employees for their efforts and dedication; and the families of the employees for their patience and sacrifices.

FIH is fortunate to be partners with the best customers in the world. To make continued progress in every segment of our business considering the high requirements of these world class companies is a testament of FIH's strengths and capabilities. For this and for their full support, we are thankful to our customers and we are motivated to continue serving them in the best way possible.

Last but not least, on behalf of the Board, we would like to thank our shareholders for their continued support and confidence in management. We will do our utmost in maximizing the value of FIH.

Best regards,

Chin Wai Leung, Samuel

Chairman & Chief Executive Officer