

Consolidated Statements of Operations

(In US dollars, except share data)

	Notes	2006	Year ended December 31,	
			2005 (As Restated, see Note 31)	2004 (As Restated, see Note 31)
Sales	22	\$ 1,465,322,867	\$ 1,171,318,735	\$ 974,664,696
Cost of sales	2	1,338,155,004	1,105,133,544	716,225,372
Gross profit		127,167,863	66,185,191	258,439,324
Operating expenses and income:				
Research and development	2	94,170,750	78,865,306	74,113,116
General and administrative	2	47,364,533	35,700,768	54,038,382
Selling and marketing	2	18,231,048	17,713,228	10,383,794
Litigation settlement	24	–	–	16,694,741
Amortization of acquired intangible assets	2	24,393,561	20,946,051	14,368,025
Income from sale of plant and equipment and other fixed assets	10	(43,121,929)	–	–
Total operating expenses (income), net		141,037,963	153,225,353	169,598,058
(Loss) income from operations	27	(13,870,100)	(87,040,162)	88,841,266
Other income (expense):				
Interest income		14,916,323	11,355,972	10,587,244
Interest expense		(50,926,084)	(38,784,323)	(13,697,894)
Foreign currency exchange (loss) gain		(21,912,234)	(3,355,279)	8,217,567
Others, net		1,821,337	4,461,925	2,441,057
Total other (expense) income, net		(56,100,658)	(26,321,705)	7,547,974
(Loss) income before income tax		(69,970,758)	(113,361,867)	96,389,240
Income tax credit (expense)	17	24,927,744	(284,867)	(186,044)
Minority interest		(18,803)	251,017	–
Loss from equity investment	12	(4,201,247)	(1,379,110)	–
Net (loss) income before cumulative effect of a change in accounting principle		(49,263,064)	(114,774,827)	96,203,196
Cumulative effect of a change in accounting principle	3	5,153,986	–	–

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(In US dollars, except share data)

	Notes	2006	Year ended December 31,	
			2005 (As Restated, see Note 31)	2004 (As Restated, see Note 31)
Net (loss) income		\$ (44,109,078)	\$ (114,774,827)	\$ 96,203,196
Deemed dividends on preference shares	29	–	–	18,839,426
(Loss) income attributable to holders of ordinary shares		\$ (44,109,078)	\$ (114,774,827)	\$ 77,363,770
On the basis of net loss before accounting change per share, basic	20	\$ (0.00)	\$ (0.01)	\$ 0.01
On the basis of net loss before accounting change per share, diluted	20	\$ (0.00)	\$ (0.01)	\$ 0.00
Cumulative effect of an accounting change per share, basic and diluted	20	\$ 0.00	\$ –	\$ –
(Loss) income per share, basic	20	\$ (0.00)	\$ (0.01)	\$ 0.01
(Loss) income per share, diluted	20	\$ (0.00)	\$ (0.01)	\$ 0.00
Shares used in calculating basic (loss) income per share	20	18,334,498,923	18,184,429,255	14,199,163,517
Shares used in calculating diluted (loss) income per share	20	18,334,498,923	18,184,429,255	17,934,393,066

The accompanying notes are an integral part of these consolidated financial statements.