

SOFT-WORLD INTERNATIONAL CORPORATION
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

YEARS ENDED DECEMBER 31, 2002 AND 2001

(In Thousands of New Taiwan Dollars)

	Common	Capital	Retained Earnings			Cumulative	Unrecognized	
	Stock	Surplus	Legal Reserve	Unappropriate d Earnings	Total	Translation Adjustments	losses on pension cost	Total
BALANCE JANUARY 1, 2001	\$ 262,295	\$ 6,229	\$ 12,988	\$ 217,123	\$ 230,111	\$ (6)	\$ -	\$ 498,629
Appropriation and distribution of 2000 net income :								
Legal reserve	-	-	21,293	(21,293)	-	-	-	-
Directors' remuneration	-	-	-	(2,580)	(2,580)	-	-	(2,580)
Shareholders' bonuses	-	-	-	(13,115)	(13,115)	-	-	(13,115)
Capitalization of earnings	104,918	-	-	(104,918)	(104,918)	-	-	-
Capitalization of employees' bonuses	8,387	-	-	(8,387)	(8,387)	-	-	-
Net income for 2001	-	-	-	172,381	172,381	-	-	172,381
Effect of changes of ownership interests in equity method investees	-	(429)	-	-	-	-	-	(429)
Translation adjustments on long-term investmensts	-	-	-	-	-	38	-	38
BALANCE DECEMBER 31, 2001	375,600	5,800	34,281	239,211	273,492	32	-	654,924
Appropriation and distribution of 2001 net income :								
Legal reserve	-	-	15,540	(15,540)	-	-	-	-
Directors' remuneration	-	-	-	(2,955)	(2,955)	-	-	(2,955)
Shareholders' bonuses	-	-	-	(41,316)	(41,316)	-	-	(41,316)
Capitalization of earnings	93,900	-	-	(93,900)	(93,900)	-	-	-
Capitalization of employees' bonuses	9,606	-	-	(9,606)	(9,606)	-	-	-
Proceeds from issuance of common stocks	150,000	1,080,000	-	-	-	-	-	1,230,000
Corporate bonds converted into the common stock	4,833	42,823	-	-	-	-	-	47,656
Net income for 2002	-	-	-	397,032	397,032	-	-	397,032
Effect of changes of ownership interests in equity method investees	-	60,087	-	-	-	-	-	60,087
Translation adjustments on long-term investmensts	-	-	-	-	-	1,106	-	1,106
Unrecognized losses on pension cost	-	-	-	-	-	-	(1,267)	(1,267)
BALANCE DECEMBER 31, 2002	\$ 633,939	\$ 1,188,710	\$ 49,821	\$ 472,926	\$ 522,747	\$ 1,138	\$ (1,267)	\$ 2,345,267