

Pixelplus Co., Ltd.
Non-Consolidated Statements of Operations
(In [millions of Korean won], except per ADS data)

	YEAR ENDED	
	Dec. 31, 2008	Dec. 31, 2007
Revenues	16,196	17,284
Products	15,270	12,836
Services	925	4,448
Cost of revenues	14,725	15,274
Products	14,608	14,200
Services	117	1,074
Gross profit	1,471	2,010
Operating expenses	13,452	12,395
Selling, general and administrative	9,244	6,896
Research and development, net of government grants	4,208	5,500
Income(loss) from operations	(11,982)	(10,385)
Other income(expense)		
Interest income(expense), net	(241)	239
Foreign exchange gain (loss), net	(618)	110
Others, net	(312)	2,817
Income(loss) before income taxes	(13,153)	(7,219)
Income tax expenses	-	-
Income(loss) before gain(loss) from equity method investments, net and minority interest	(13,153)	(7,219)
Gain(loss) from equity method investments, net	(773)	(696)
Minority interest		
Before cumulative effect of change in accounting principle	(13,925)	(7,914)
Cumulative effect of change in accounting principle	-	-
Net Income (loss)	<u>(13,925)</u>	<u>(7,914)</u>
Accretion of preferred shares	-	-
Net income(loss) attributable to common shareholders	<u>(13,925)</u>	<u>(7,914)</u>
Income(Loss) per ADS		
- basic and diluted	(4,110)	(2,433)
ADSs used in computing Income(loss) per ADS	3,388,461	3,253,317
- basic and diluted		

Pixelplus Co., Ltd.
Non-Consolidated Balance Sheets
(In [millions of Korean won], except per ADS data)

	Dec. 31, 2008	Dec. 31, 2007
Assets		
Cash and cash equivalents	93	317
Restricted cash	5,000	6,002
Accounts receivable, net	2,080	3,165
Inventories, net	2,225	1,424
Other current assets	905	1,868
Total current assets	10,303	12,775
Other non current assets	6,126	6,221
Total assets	<u>16,429</u>	<u>18,996</u>
Liabilities, minority interest and Shareholders' equity		
Trade accounts payable	3,574	542
Other accounts payable	2,029	682
Short-term borrowings	8,460	5,617
Other current liabilities	2,380	1,137
Total current liabilities	16,443	7,978
Long-term borrowings	2,272	-
Other non current liabilities	811	422
Total liabilities	19,525	8,400
Shareholders' equity		
Common stock	3,403	3,333
Additional paid-in capital	7507	38,338
Accumulated other comprehensive loss	(81)	(99)
Accumulated deficit	(13,925)	(30,976)
Total Shareholders' equity	(3,096)	10,596
Total liabilities, minority interest and Shareholders' equity	<u>16,429</u>	<u>18,996</u>