

EVA AIRWAYS CORP.
Balance Sheets
March 31, 2009 and 2008
(Expressed in Thousands of New Taiwan Dollars)

Assets	2009 NT dollars	2008 NT dollars	Liabilities and Stockholders' Equity	2009 NT dollars	2008 NT dollars
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 2,925,921	1,351,594	Short-term borrowings	\$ 3,220,000	2,690,000
Financial assets at fair value through profit or loss — current	111,039	287,282	Comercial paper payable	500,000	-
Available-for-sale financial assets — current	1,600,336	3,156,275	Financial liabilities at fair value through profit or loss — current	3,118,899	3
Notes receivable	232,442	252,374	Derivative financial liabilities for hedge purposes — current	3,756,442	-
Accounts receivable, net	4,859,096	8,244,638	Accounts payable	934,400	1,788,535
Accounts receivable — related parties	226,305	103,222	Accounts payable — related parties	880,651	789,608
Other receivables	10,906	104,269	Accrued expenses	5,035,699	8,083,656
Other receivables — related parties	93,641	17,589	Other payables — related parties	134,566	88,611
Inventories	8,703,551	9,678,536	Other payables	2,533,566	2,220,327
Prepaid expenses	72,997	119,751	Unearned revenue	4,840,290	5,761,273
Other prepayments	620,443	458,188	Current portion of long-term liabilities	13,287,274	8,656,511
Deferred income tax assets — current	811,576	319,675	Lease liability — current	1,440,441	1,331,214
Other current assets	161,350	448,776	Other current liabilities	1,392,389	1,566,948
Total current assets	<u>20,429,603</u>	<u>24,542,169</u>	Total current liabilities	<u>41,074,617</u>	<u>32,976,686</u>
Funds and investments:			Long-term liabilities:		
Financial assets at fair value through profit or loss — noncurrent	-	62,171	Financial liabilities at fair value through profit or loss — noncurrent	830,316	63,760
Available-for-sale financial assets — noncurrent	470,092	777,462	Derivative financial liabilities for hedge purposes — noncurrent	643,256	2,301
Financial assets carried at cost — noncurrent	2,252,588	2,281,612	Bonds payable	6,100,000	9,538,800
Long-term equity investments under equity method	7,667,526	8,056,319	Long-term borrowings	43,829,747	34,093,133
Total funds and investments	<u>10,390,206</u>	<u>11,177,564</u>	Long-term accounts payable — related parties	2,659,200	-
Property, plant and equipment:			Aircraft payable	9,392,506	10,687,181
Land	1,869,784	1,869,784	Lease liability — noncurrent	13,565,943	14,385,263
Buildings	4,543,278	4,543,278	Total long-term liabilities	<u>77,020,968</u>	<u>68,770,438</u>
Machinery and equipment	7,064,523	6,556,210	Other liabilities:		
Aircraft	103,711,147	84,523,988	Accrued employee retirement liabilities	154,111	573,364
Leased assets	17,147,575	17,126,077	Other liabilities	1,946,985	2,132,679
Other equipment	7,971	90,901	Total other liabilities	<u>2,101,096</u>	<u>2,706,043</u>
	134,344,278	114,710,238	Total liabilities	<u>120,196,681</u>	<u>104,453,167</u>
Less: accumulated depreciation	(40,270,031)	(34,194,042)	Stockholders' equity:		
Advances for purchases of equipment	7,917,386	12,292,199	Common stock	39,426,772	39,210,563
Net property, plant and equipment	<u>101,991,633</u>	<u>92,808,395</u>	Capital surplus	4,866,758	4,743,923
Intangible assets:			Retained earnings:		
Deferred pension cost	81,888	109,182	Legal reserve	18,864	860,272
Other assets:			Retained earnings (accumulated deficit)	(16,690,081)	(3,131,236)
Refundable deposits	5,084,129	6,953,710	Total retained earnings	<u>(16,671,217)</u>	<u>(2,270,964)</u>
Deferred charges	4,835,644	5,687,040	Other stockholders' equity adjustments:		
Deferred income tax assets — noncurrent	2,988,184	1,951,948	Cumulative translation adjustments	3,033,148	(2,262,274)
Other assets	1,603,548	529,466	Net loss not yet recognized as net pension cost	(162,517)	(472,617)
Total other assets	<u>14,511,505</u>	<u>15,122,164</u>	Unrealized gains on financial instruments	(3,284,790)	357,676
Total assets	<u>\$ 147,404,835</u>	<u>143,759,474</u>	Total other stockholders' equity adjustments	<u>(414,159)</u>	<u>(2,377,215)</u>
			Total stockholders' equity	<u>27,208,154</u>	<u>39,306,307</u>
			Commitments and contingencies		
			Total liabilities and stockholders' equity	<u>\$ 147,404,835</u>	<u>143,759,474</u>

EVA AIRWAYS CORP.
Statements of Operations

For the years ended March 31, 2009 and 2008

(Expressed in Thousands of New Taiwan Dollars, Except Earnings per Share)

	2009	2008		
	NT dollars	NT dollars		
Operating revenue	\$ 16,721,657	23,834,627		
Operating cost	<u>(15,351,757)</u>	<u>(23,966,411)</u>		
Gross profit from operations	1,369,900	(131,784)		
Operating expenses	<u>(1,359,697)</u>	<u>(1,775,544)</u>		
Operating loss	<u>10,203</u>	<u>(1,907,328)</u>		
Non-operating income and gains:				
Interest income	9,773	24,243		
Investment income	112,623	44,316		
Gains on disposal of property, plant and equipment	27,779	3,939		
Exchange gains, net	48,157	-		
Gains on valuation of financial assets	-	266,278		
Other income	26,434	48,385		
	<u>224,766</u>	<u>387,161</u>		
Non-operating expenses and losses:				
Interest expenses, net of capitalized interest of NT\$37,533 and NT\$104,291 in 2009 and 2008, respectively	(559,629)	(629,763)		
Losses on valuation of financial assets	(358,188)	-		
Exchange losses, net	-	(124,384)		
Other losses	<u>(18,481)</u>	<u>(7,031)</u>		
	<u>(936,298)</u>	<u>(761,178)</u>		
Continuing operating loss before income tax	(701,329)	(2,281,345)		
Income tax benefit(expenses)	900,932	(8,483)		
Net income(loss)	<u>\$ 199,603</u>	<u>(2,289,828)</u>		
	<u>Loss before income tax</u>	<u>Loss before income tax</u>		<u>Net loss</u>
	<u>NT dollars</u>	<u>NT dollars</u>		<u>NT dollars</u>
Basic earnings per share(expressed in dollars)	<u>(0.18)</u>	<u>0.05</u>	<u>(0.59)</u>	<u>(0.59)</u>
Diluted earnings per share(expressed in dollars)	<u>(0.18)</u>	<u>0.05</u>	<u>-</u>	<u>-</u>

EVA AIRWAYS CORP.
Statements of Cash Flows
For the years ended March 31, 2009 and 2008
(Expressed in Thousands of New Taiwan Dollars)

	2009	2008
	NT dollars	NT dollars
Cash flows from operating activities:		
Net income(loss)	\$ 199,603	(2,289,828)
Adjustments to reconcile net loss to net cash flow provided by operating activities:		
Depreciation	2,046,880	1,840,805
Amortization and maintenance expense	321,007	406,677
Amortization expense recorded as interest expenses	8,303	7,298
Exchange gains arising from disposal of foreign operating units	-	(55,776)
Gains on disposal and obsolescence of property, plant and equipment	1,939	737
Amortization of other deferred gain	(57,066)	(27,051)
Provision for unrealized exchange gain from long-term borrowings	-	(15,392)
Gains on sale of available-for-sale financial assets – current	(3,512)	(13,071)
Investment income	(112,623)	(44,316)
Proceeds from cash dividends on long-term equity investments	65,431	-
Deferred income tax benefit	(901,698)	-
Changes in operating assets and liabilities, net:		
Financial assets at fair value through profit or loss – current	313,981	(224,037)
Financial assets at fair value through profit or loss – noncurrent	-	44,585
Financial liabilities at fair value through profit or loss – current	(877,149)	(82)
Financial liabilities at fair value through profit or loss – noncurrent	(960,320)	62,584
Notes receivable	(33,758)	28,980
Accounts receivable (including related parties)	888,957	50,358
Other receivables (including related parties)	104,862	193,804
Inventories	(72,747)	(150,533)
Prepaid expenses	(26,602)	(25,135)
Other prepayments	(53,342)	33,049
Other current assets	(138,140)	(374,299)
Accounts payable (including related parties)	147,753	(2,205)
Accrued expenses	(744,261)	259,596
Other payables (including related parties)	(631,068)	(770,109)
Unearned revenue	(1,671,942)	(1,245,573)
Other current liabilities	(518,771)	51,211
Accrued employee retirement liabilities	(41,151)	(17,350)
Other liabilities	33,385	13,438
Net cash provided by operating activities	<u>(2,712,049)</u>	<u>(2,261,635)</u>
Cash flows from investing activities:		
Decrease (increase) in available-for-sale financial assets – current	(463,782)	1,979,074
Payments for purchase of long-term equity investments under equity method	-	(15,355)
Proceeds from disposal of property, plant and equipment	1,499	1,242
Payments for purchase of property, plant and equipment	(3,737,311)	(4,255,845)
Decrease in refundable deposits and in other assets	(242,535)	147,516
Increase in deferred charges	(129,437)	(249,792)
Net cash used in investing activities	<u>(4,571,566)</u>	<u>(2,393,160)</u>
Cash flows from financing activities:		
Decrease in short-term borrowings	1,420,000	2,690,000
Increase in long-term borrowings	7,000,000	3,312,000
Redemption of long-term borrowings	(2,536,302)	(1,856,280)
Redemption of bond payable	(500,000)	-
Installment payments for purchase of property, plant and equipment	(713,192)	(653,399)
Redemption of lease liability	(348,257)	(442,695)
Increase in related parties borrowing	2,659,200	-
Net cash provided by financing activities	<u>6,981,449</u>	<u>3,049,626</u>
Net increase (decrease) in cash and cash equivalents	<u>(302,166)</u>	<u>(1,605,169)</u>
Cash and cash equivalents at beginning of year	<u>3,228,087</u>	<u>2,956,763</u>
Cash and cash equivalents at end of year	<u>2,925,921</u>	<u>1,351,594</u>
Additional disclosure of cash flow information:		
Cash payments of interest (excluding capitalized interest expense)	<u>783,595</u>	<u>786,698</u>
Cash payments of income tax	<u>9,558</u>	<u>13,844</u>
Supplemental schedule of noncash investing and financing activities:		
Current portion of long-term liabilities	<u>13,287,274</u>	<u>8,656,511</u>
Bond payable converted to common stock	<u>-</u>	<u>622,500</u>
Translation adjustments (including investee)	<u>1,541,253</u>	<u>(3,347,910)</u>
Unrealized gains(losses) on financial instruments (including investee)	<u>(274,845)</u>	<u>133,448</u>