

AU OPTRONICS CORP  
Form 6-K  
July 27, 2007

**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16**  
**of the Securities Exchange Act of 1934**

July 26, 2007

Commission File Number 001-31335

**AU Optronics Corp.**  
(Translation of registrant's name into English)

**No. 1 Li-Hsin Road 2**  
**Hsinchu Science Park**  
**Hsinchu, Taiwan**  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

**Note:** Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

**Note:** Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the

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jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes \_\_\_ No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
Not applicable

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INDEX TO EXHIBITS

Item

1. Press release entitled, [AU Optronics Reports 2Q2007 Results], dated July 26, 2007.
  2. Investor Conference Materials entitled, [AU Optronics Corp. Second Quarter 2007 Results], dated July 26, 2007.
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**Signatures**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AU Optronics Corp.

Date: July 26, 2007

By: /s/ Max Cheng

Name: Max Cheng

Title: Chief Financial Officer

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## News Release

### AU Optronics Reports 2Q2007 Results

**Issued by:** AU Optronics Corp.

**Issued on:** July 26, 2007

**Hsinchu, Taiwan, July 26, 2007** □

Second Quarter 2007 Unaudited Consolidated Financial Highlights

- Revenues up 31.3% QoQ to NT\$106.009 billion
- Net income after tax of NT\$5.987 billion
- Earnings per share of NT\$0.79 (US\$0.2 per ADR)
- Gross margin: 11.4%
- Operating margin: 6.5%

AU Optronics Corp. ("AUO" or the "Company") (TAIEX: 2409; NYSE: AUO) today announced unaudited results for 2Q2007. All financial information was unaudited and was prepared by the Company in accordance with generally accepted accounting principles in Taiwan (□ROC GAAP□). For the second quarter ended June 30, 2007, AUO's consolidated revenue totaled NT\$106.009 billion (US\$3.2 billion\*), net income NT\$5,987million (US\$182 million), and basic EPS NT\$0.79 per common share (US\$0.2 per ADR unit). For the first half year ended June 30, 2007, AUO's consolidated revenues totaled NT\$186.729 billion (US\$5.7 billion), net income after tax NT\$882 million (US\$26.9 million), and basic EPS NT\$0.12 per common share (US\$0.04 per ADR.)

In terms of 2Q2007 panel shipments, large-sized panel increased by 22.2% to 19.48 million from 1Q2007, while shipments of small- and medium-sized panel amounted to 32.23 million with a 45.6% QoQ increase, both set record high for a single-quarter unit shipment.

Mr. Max Cheng, Vice President and Chief Financial Officer of AUO noted that the 2Q2007 performance is better than the Company's guidance announced during the Q12007 investor conference. Gross margin for the 2Q2007 increased significantly to 11.4%, bringing operating margin to 6.5% . The remarkable business performance was contributed by the increasing demand from customers, relatively better price, cost reduction efforts, contribution of post-merger synergies and higher loading rate. Starting from 2Q2007, AUO has aggressively implemented more competitive product lines with better material cost control and product mix adjustment in order to increase profitability. The first half year profitable earnings demonstrated that AUO has accomplished the complicated QDI merger case with outstanding execution and has more confidence to face the traditional 3Q-peak season by means of capacity advantages and the widest product lines.

*\*Amounts converted by an exchange rate of NTD32.83:USD1 as of June 30, 2007.*

# # #

**ABOUT AU OPTRONICS**

AU Optronics Corp. (AUO) is one of the top three largest manufacturers\* of large-size thin film transistor liquid crystal display panels (TFT-LCD), with approximately 20.1%\* of global market share with revenues of NT\$293.1billion (US\$9.0bn)\* in 2006. TFT-LCD technology is currently the most widely used flat panel display technology. Targeted for 40"+ sized LCD TV panels, AUO's new generation (7.5 -generation) fabrication facility production started mass production in the fourth quarter of 2006. The Company currently operates one 7.5 -generation, two 6th-generation, four 5th-generation, one 4th-generation, and four 3.5 -generation TFT- LCD fabs, in addition to eight module assembly facilities and the AUO Technology Center specializes in new technology platform and new product development. AUO is one of few top-tier TFT-LCD manufacturers capable of offering a wide range of small- to large- size (1.5" -65") TFT-LCD panels, which enables it to offer a broad and diversified product portfolio.

\* DisplaySearch 1Q2007 WW Large-Area TFT-LCD Shipment Report dated May 5, 2007. This data is used as reference only and AUO does not make any endorsement or representation in connection therewith. 2006 year end revenue converted by an exchange rate of NTD32.59:USD1.

**Safe Harbour Notice**

*AU Optronics Corp. (AUO or the Company) (TAIEX: 2409; NYSE: AUO), the world's third largest manufacturer of large-size TFT-LCD panels, today announced the above news. Except for statements in respect of historical matters, the statements contained in this Release are forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. These forward-looking statements were based on our management's expectations, projections and beliefs at the time regarding matters including, among other things, future revenues and costs, financial performance, technology changes, capacity, utilization rates, yields, process and geographical diversification, future expansion plans and business strategy. Such forward looking statements are subject to a number of known and unknown risks and uncertainties that can cause actual results to differ materially from those expressed or implied by such statements, including risks related to the flat panel display industry, the TFT-LCD market, acceptance and demand for our products, technological and development risks, competitive factors, and other risks described in the section entitled "Risk Factors" in our Form 20-F filed with the United States Securities and Exchange Commission on December 31, 2006.*

For more information, please contact:

Rose Lee  
Corporate Communications Dept  
AU Optronics Corp  
Tel: +886-3-5008899 ext 3204  
Fax: +886-3-5772730  
Email: [rose.lee@auo.com](mailto:rose.lee@auo.com)

Yawen Hsiao  
Corporate Communications Dept.  
AU Optronics Corp.  
+886-3-5008899 ext 3211  
+886-3-5772730  
[yawen.hsiao@auo.com](mailto:yawen.hsiao@auo.com)

**Item 2**

AU Optronics Corp.  
Second Quarter 2007 Results  
Investor Conference

2007

July 26, 2007

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### Safe Harbor Notice

The statements included in this presentation that are not historical in nature are "forward-looking statements" within the meaning of Section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. These forward-looking statements, which may include statements regarding AU Optronics' future results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on AU Optronics' current expectations.

Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our ability to successfully expand our capacity; our dependence on key personnel; general economic and political conditions, including those related to the TFT-LCD industry; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.

In addition, any financial information contained herewithin is presented in conformity with accounting principles generally accepted in the Republic of China ("ROC GAAP"). Readers should be cautioned that these accounting principles differ in many material respects from accounting principles generally accepted in the United States of America ("US GAAP").

Our release of financial forecasts and forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forecasts or forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information as to these and other factors that may cause actual results to differ materially from AU Optronics' forward-looking statements or some of the major differences between ROC GAAP and US GAAP can be found in AU Optronics' Annual Report on Form 20-F with respect to the year ended December, 2006 filed with the United States Securities and Exchange Commission.



Consolidated Income Statement  
Amount: NT\$ Million Except Per Share Data

|                               | 2Q'07 (a) |         | 1Q'07 (a) |         | QoQ %   | 2Q'06    |
|-------------------------------|-----------|---------|-----------|---------|---------|----------|
| Net Sales                     | 106,009   | 100.0%  | 80,720    | 100.0%  | 31.3%   | 60,896   |
| Cost of Goods Sold            | (93,890)  | (88.6%) | (80,446)  | (99.7%) | 16.7%   | (55,702) |
| Gross Profit                  | 12,119    | 11.4%   | 275       | 0.3%    | 4314.9% | 5,194    |
| Operating Expenses            | (5,193)   | (4.9%)  | (4,517)   | (5.6%)  | 15.0%   | (3,828)  |
| Operating Income (Loss)       | 6,926     | 6.5%    | (4,243)   | (5.3%)  | -       | 1,366    |
| Net Non-operating Expenses    | (851)     | (0.8%)  | (842)     | (1.0%)  | 1.1%    | (1,045)  |
| Income (Loss) before Tax      | 6,076     | 5.7%    | (5,085)   | (6.3%)  | -       | 321      |
| Net Income (Loss)             | 5,987     | 5.6%    | (5,105)   | (6.3%)  | -       | 182      |
| Basic EPS (NT\$) (b)          | 0.79      |         | (0.67)    |         | -       | 0.03     |
| Operating Income (Loss) + D&A | 27,758    | 26.2%   | 14,949    | 18.5%   | 85.7%   | 12,782   |
| Unit Shipments (mn) (c)       |           |         |           |         |         |          |
| Large Size Panels             | 19.5      |         | 15.9      |         | 22.2%   | 10.1     |
| Small & Medium Size Panels    | 32.2      |         | 22.1      |         | 45.6%   | 18.1     |

-- Unaudited, prepared by AUO on a consolidated basis

(a) Effective 2Q07, AUO's consolidated financial statement incorporated Toppan CFI (Taiwan) Co, Ltd (CFI) with the consolidated entity; AUO completed its merger with QDI on October 1, 2006

(b) Basic EPS were calculated based on the total diluted weighted average outstanding shares of each quarter, 2Q07 of 7,576m shares, 1Q07 of 7,574m shares and 2Q06 of 6,094m shares, including retroactive adjustment of stock dividend and stock bonus

(c) Large size refers to panels that are 10 inches and above

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Consolidated Balance Sheet Highlights

Amount: NT\$ Million

|                               | 2Q'07 (a) | 1Q'07 (a) | QoQ %  | 2Q'06   |
|-------------------------------|-----------|-----------|--------|---------|
| Cash & ST Investment          | 21,814    | 23,514    | (7.2%) | 21,809  |
| Inventory                     | 44,681    | 44,753    | (0.2%) | 25,618  |
| Short Term Debt (b)           | 39,346    | 39,805    | (1.2%) | 15,038  |
| Long Term Debt                | 166,571   | 176,755   | (5.8%) | 87,156  |
| Equity                        | 240,438   | 226,152   | 6.3%   | 160,679 |
| Total Assets                  | 557,468   | 545,441   | 2.2%   | 338,903 |
| -----                         |           |           |        |         |
| Inventory Turnover (Days) (c) | 43        | 49        |        | 40      |
| Debt to Equity                | 85.6%     | 95.8%     |        | 63.6%   |
| Net Debt to Equity            | 77.3%     | 86.1%     |        | 51.1%   |
| -----                         |           |           |        |         |

-- Unaudited, prepared by AUO on a consolidated basis

- (a) Effective 2Q07, AUO's consolidated financial statement incorporated CFI with the consolidated entity; AUO completed its merger with QDI on October 1, 2006
- (b) Short term debt refers to all interest bearing debt maturing within one year
- (c) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

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Consolidated Cash Flow Highlights

Amount: NT\$ Million

|                               | 2Q'07 (a) | 1Q'07    | QoQ     |
|-------------------------------|-----------|----------|---------|
|                               | -----     | -----    | -----   |
| From Operating Activities     | 23,363    | 14,456   | 8,907   |
| Net Profit (Loss)             | 5,917     | (5,105)  | 11,022  |
| Depreciation & Amortization   | 20,831    | 19,192   | 1,639   |
| Net Change in Working Capital | (3,495)   | 65       | (3,560) |
| -----                         | -----     | -----    | -----   |
| From Investing Activities     | (16,093)  | (27,716) | 11,623  |
| Capital Expenditure           | (17,668)  | (26,101) | 8,432   |
| -----                         | -----     | -----    | -----   |
| From Financing Activities     | (9,159)   | (8,428)  | (731)   |
| Net Change in Debt            | (9,590)   | (8,449)  | (1,140) |
|                               | -----     | -----    | -----   |

-- Unaudited, prepared by AUO on a consolidated basis

(a) Effective 2Q07, AUO's consolidated financial statement incorporated CFI with ( the consolidated entity

Consolidated Revenues by Application

-- Unaudited, prepared by AUO on a consolidated basis

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Large Panel -- ASP by Unit

- Unaudited, prepared by AUO on a consolidated basis
- Large size refers to panels that are 10 inches and above
- Blended ASP in US\$ were translated from NT\$ based on average exchange rates announced by Directorate General of Customs, ROC Ministry of Finance of each respective quarter

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Consolidated Shipments & ASP by Area

- Unaudited, prepared by AUO on a consolidated basis
- ASP per square meter in US\$ were translated from NT\$ based on the noon buying rate of each respective quarter

Consolidated Small & Medium Panel  
Shipments & Revenues

- o Unaudited, prepared by AUO on a consolidated basis
- o Small & Medium size refers to panels that are under 10 inches

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Capacity by Fab

|     | Fab    | Substrate<br>Size (mm) | 6/2007<br>Capacity (a) | 9/2007 (F)<br>Capacity (a) |
|-----|--------|------------------------|------------------------|----------------------------|
| L3A | (G3.5) | 610 x 720              | 40,000                 | 40,000                     |
| L3B | (G3.5) | 610 x 720              | 20,000 LTPS            | 20,000 LTPS                |
| L3C | (G3.5) | 600 x 720              | 60,000                 | 60,000                     |
| L3D | (G3.5) | 620 x 750              | 25,000                 | 25,000                     |
| L4A | (G4.0) | 680 x 880              | 60,000                 | 60,000                     |
| L5A | (G5.0) | 1100 x 1250            | 50,000                 | 50,000                     |
| L5B | (G5.0) | 1100 x 1300            | 70,000                 | 70,000                     |
| L5C | (G5.0) | 1100 x 1300            | 120,000                | 120,000                    |
| L5D | (G5.0) | 1100 x 1300            | 70,000                 | 70,000                     |
| L6A | (G6.0) | 1500 x 1850            | 120,000                | 120,000                    |
| L6B | (G6.0) | 1500 x 1850            | 70,000                 | 80,000                     |
| L7A | (G7.5) | 1950 x 2250            | 40,000                 | 60,000                     |

(a) Capacity based on monthly glass substrate input



[www.auo.com](http://www.auo.com)  
[ir@auo.com](mailto:ir@auo.com)

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**AU OPTRONICS CORP.**  
**CONSOLIDATED BALANCE SHEET**  
**June 30, 2007 and 2006**

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) )

|   | June 30, 2007 |                |              | June 30, 2006  |              | YoY            |             |
|---|---------------|----------------|--------------|----------------|--------------|----------------|-------------|
|   | USD           | NTD            | %            | NTD            | %            | Change         | %           |
| <b>ASSETS</b>                                 |               |                |              |                |              |                |             |
| Cash and Cash Equivalents                     | 610           | 20,034         | 3.6          | 20,036         | 5.9          | (2)            | 0.0         |
| Available-for-Sale Financial Assets - Current | 54            | 1,780          | 0.3          | 1,772          | 0.5          | 7              | 0.4         |
| Notes & Accounts Receivables                  | 1,860         | 61,063         | 11.0         | 34,932         | 10.3         | 26,130         | 74.8        |
| Inventories                                   | 1,361         | 44,681         | 8.0          | 25,618         | 7.6          | 19,063         | 74.4        |
| Other Current Financial Assets                | 38            | 1,254          | 0.2          | 549            | 0.2          | 705            | 128.5       |
| Other Current Assets                          | 161           | 5,289          | 0.9          | 4,732          | 1.4          | 557            | 11.8        |
| <b>Total Current Assets</b>                   | <b>4,085</b>  | <b>134,101</b> | <b>24.1</b>  | <b>87,640</b>  | <b>25.9</b>  | <b>46,461</b>  | <b>53.0</b> |
| Long-term Investments                         | 182           | 5,972          | 1.1          | 4,770          | 1.4          | 1,203          | 25.2        |
| Fixed Assets                                  | 17,541        | 575,865        | 103.3        | 352,108        | 103.9        | 223,757        | 63.5        |
| Less Accumulated Depreciation                 | (5,799)       | (190,383)      | (34.2)       | (113,582)      | (33.5)       | (76,801)       | 67.6        |
| <b>Net Fixed Assets</b>                       | <b>11,742</b> | <b>385,481</b> | <b>69.1</b>  | <b>238,526</b> | <b>70.4</b>  | <b>146,956</b> | <b>61.6</b> |
| Other Assets                                  | 972           | 31,913         | 5.7          | 7,968          | 2.4          | 23,946         | 300.5       |
| <b>Total Assets</b>                           | <b>16,980</b> | <b>557,468</b> | <b>100.0</b> | <b>338,903</b> | <b>100.0</b> | <b>218,564</b> | <b>64.5</b> |
| <b>LIABILITIES</b>                            |               |                |              |                |              |                |             |
| Short-term Borrowings                         | 23            | 743            | 0.1          | 200            | 0.1          | 543            | 271.7       |
| Accounts Payable                              | 2,347         | 77,062         | 13.8         | 49,132         | 14.5         | 27,931         | 56.8        |
| Current Installments of Long-term Liabilities | 1,176         | 38,602         | 6.9          | 14,838         | 4.4          | 23,764         | 160.2       |
| Current Financial Liabilities                 | 19            | 630            | 0.1          | 392            | 0.1          | 238            | 60.8        |
| Other Current Liabilities                     | 1,014         | 33,300         | 6.0          | 26,115         | 7.7          | 7,185          | 27.5        |
| <b>Total Current Liabilities</b>              | <b>4,579</b>  | <b>150,337</b> | <b>27.0</b>  | <b>90,676</b>  | <b>26.8</b>  | <b>59,661</b>  | <b>65.8</b> |
| Long-term Borrowings                          | 4,222         | 138,622        | 24.9         | 71,156         | 21.0         | 67,466         | 94.8        |
| Bonds Payable                                 | 851           | 27,949         | 5.0          | 16,000         | 4.7          | 11,949         | 74.7        |
| Other Long-term Liabilities                   | 4             | 121            | 0.0          | 392            | 0.1          | (271)          | (69.0)      |

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|                   |       |         |      |         |      |         |      |
|-------------------|-------|---------|------|---------|------|---------|------|
| Total Liabilities | 9,657 | 317,030 | 56.9 | 178,224 | 52.6 | 138,805 | 77.9 |
|-------------------|-------|---------|------|---------|------|---------|------|

**SHAREHOLDERS' EQUITY**

|   |               |                |              |                |              |                |             |
|---|---------------|----------------|--------------|----------------|--------------|----------------|-------------|
| Common Stock  | 2,404         | 78,912         | 14.2         | 60,941         | 18.0         | 17,971         | 29.5        |
| Capital Surplus                                     | 3,371         | 110,662        | 19.9         | 57,679         | 17.0         | 52,983         | 91.9        |
| Retained Earnings                                   | 1,249         | 40,994         | 7.4          | 41,720         | 12.3         | (726)          | (1.7)       |
| Cumulative Translation Adjustments                  | 18            | 596            | 0.1          | 61             | 0.0          | 535            | 884.4       |
| Unrealized Gain/Loss on Financial Products          | 12            | 392            | 0.1          | (62)           | 0.0          | 454            | -           |
| Deferred Compensation Cost                          | (0)           | (2)            | 0.0          | 0              | 0.0          | (2)            | -           |
| Minority Interest                                   | 271           | 8,884          | 1.6          | 341            | 0.1          | 8,544          | 2508.4      |
| Total Shareholders' Equity                          | 7,324         | 240,438        | 43.1         | 160,679        | 47.4         | 79,759         | 49.6        |
| <b>Total Liabilities &amp; Shareholders' Equity</b> | <b>16,980</b> | <b>557,468</b> | <b>100.0</b> | <b>338,903</b> | <b>100.0</b> | <b>218,564</b> | <b>64.5</b> |

Note: (1) Unaudited, prepared by AUO based on ROC GAAP

(2) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 32.83 per USD as of Jun 30, 2007

**AU OPTRONICS CORP.**  
**CONSOLIDATED INCOME STATEMENT**

**For the Three Months Ended June 30, 2007 and 2006 and March 31, 2007**

**(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) except for per share amounts and shares outstanding)**

|  | Year over Year Comparison |                |               |                   |              | Sequential Comparison |                |               |                   |              |
|--|---------------------------|----------------|---------------|-------------------|--------------|-----------------------|----------------|---------------|-------------------|--------------|
|  | 2Q 2007<br>USD            | 106,009<br>NTD | % of<br>Sales | 2Q<br>2006<br>NTD | YoY<br>Chg % | 2Q 2007<br>USD        | 106,009<br>NTD | % of<br>Sales | 1Q<br>2007<br>NTD | QoQ<br>Chg % |
| Net Sales                              | 3,229                     | 106,009        | 100.0         | 60,896            | 74.1         | 3,229                 | 106,009        | 100.0         | 80,720            | 31.3         |
| Cost of Goods Sold                     | 2,860                     | 93,890         | 88.6          | 55,702            | 68.6         | 2,860                 | 93,890         | 88.6          | 80,446            | 16.7         |
| Gross Profit                           | 369                       | 12,119         | 11.4          | 5,194             | 133.3        | 369                   | 12,119         | 11.4          | 275               | 4,314.9      |
| Operating Expenses                     |                           |                |               |                   |              |                       |                |               |                   |              |
| SG&A                                   | 120                       | 3,943          | 3.7           | 2,891             | 36.4         | 120                   | 3,943          | 3.7           | 3,292             | 19.8         |
| R&D                                    | 38                        | 1,249          | 1.2           | 936               | 33.4         | 38                    | 1,249          | 1.2           | 1,226             | 1.9          |
|  | 158                       | 5,193          | 4.9           | 3,828             | 35.7         | 158                   | 5,193          | 4.9           | 4,517             | 15.0         |
| Operating Income (Loss)                | 211                       | 6,926          | 6.5           | 1,366             | 407.0        | 211                   | 6,926          | 6.5           | (4,243)           | —            |
| Net Non-Operating Expenses             | (26)                      | (851)          | (0.8)         | (1,045)           | (18.6)       | (26)                  | (851)          | (0.8)         | (842)             | 1.1          |
| Income (Loss) before Income Tax        | 185                       | 6,076          | 5.7           | 321               | 1,791.1      | 185                   | 6,076          | 5.7           | (5,085)           | —            |
| Income Tax Expense                     | (5)                       | (159)          | (0.1)         | (141)             | 12.6         | (5)                   | (159)          | (0.1)         | (20)              | 690.7        |
| Minority Interest in Net Loss (Income) | 2                         | 70             | 0.1           | 1                 | 4,719.1      | 2                     | 70             | 0.1           | (1)               | —            |
| Net Income (Loss)                      | 182                       | 5,987          | 5.6           | 182               | 3,191.3      | 182                   | 5,987          | 5.6           | (5,105)           | —            |
| Basic Earnings Per Share               | 0.02                      | 0.79           |               | 0.03              |              | 0.02                  | 0.79           |               | (0.67)            |              |
| Basic Earnings Per ADR(3)              | 0.24                      | 7.90           |               | 0.30              |              | 0.24                  | 7.90           |               | (6.74)            |              |

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|   |       |       |       |       |
|---|-------|-------|-------|-------|
| Weighted Average<br>Number<br>of Shares<br>Outstanding<br>(Million) | 7,576 | 6,094 | 7,576 | 7,574 |
|   | _____ | _____ | _____ | _____ |

- Note: (1) *Unaudited, prepared by AUO based on ROC GAAP*  
(2) *Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NT\$32.83 per USD as of June 30, 2007*  
(3) *1 ADR equals 10 common shares*
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**AU OPTRONICS CORP.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Six Months Ended June 30, 2007 and 2006**  
(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))

|   | <b>1H 2007</b> |            | <b>1H 2006</b> |
|---|----------------|------------|----------------|
|   | <b>USD</b>     | <b>NTD</b> | <b>NTD</b>     |
| <b>Cash Flows from Operating Activities:</b>                  |                |            |                |
| Net Income  | 25             | 812        | 6,830          |
| Depreciation & Amortization                                   | 1,219          | 40,024     | 21,963         |
| Provision for Inventory Devaluation                           | (33)           | (1,072)    | 1,121          |
| Investment Loss under Equity Method                           | 1              | 41         | 512            |
| Disposal Gain on Long-term Investments                        | (0)            | (3)        | (25)           |
| Changes in Working Capital & Others                           | (60)           | (1,983)    | (1,635)        |
|   | <hr/>          | <hr/>      | <hr/>          |
| Net Cash Provided by Operating Activities                     | 1,152          | 37,818     | 28,766         |
| <b>Cash Flows from Investing Activities:</b>                  |                |            |                |
| Proceeds from Disposal of Available-for-Sale Financial Assets | 0              | 5          | 0              |
| Acquisition of Property, Plant and Equipment                  | (1,333)        | (43,769)   | (42,810)       |
| Proceeds from Disposal of Property, Plant and Equipment       | 10             | 336        | 8              |
| Increase in Long-term Investments                             | (22)           | (733)      | (202)          |
| Proceeds from Disposal of Long-term Investments               | 0              | 6          | 102            |
| Increase in Restricted Cash in Banks                          | (0)            | (3)        | 0              |
| Increase in Deferred Assets and Intangible Assets             | (43)           | (1,421)    | (910)          |
| Cash Proceeds from CFI Acquisition                            | 49             | 1,604      | 0              |
| Decrease in Other Assets                                      | 5              | 166        | 10             |
|   | <hr/>          | <hr/>      | <hr/>          |
| Net Cash Used in Investing Activities                         | (1,334)        | (43,810)   | (43,802)       |
| <b>Cash Flows from Financing Activities:</b>                  |                |            |                |
| Increase (Decrease) in Short-term Borrowings                  | (91)           | (2,986)    | 200            |
| Increase (Decrease) in Long-term Borrowings                   | (459)          | (15,053)   | 8,312          |
| Employee Stock Options Exercised                              | 1              | 45         | 0              |
| Change in Minority Interest                                   | 12             | 407        | 117            |
|   | <hr/>          | <hr/>      | <hr/>          |
| Net Cash Provided by Financing Activities                     | (536)          | (17,586)   | 8,629          |
| <b>Effect of Exchange Rate Change on Cash</b>                 | <hr/>          | <hr/>      | <hr/>          |
|   | (10)           | (314)      | 180            |
| <b>Net Decrease in Cash and Cash Equivalents</b>              | <hr/>          | <hr/>      | <hr/>          |
|   | (728)          | (23,891)   | (6,227)        |
| <b>Cash and Cash Equivalents at Beginning of Period</b>       | <hr/>          | <hr/>      | <hr/>          |
|   | 1,338          | 43,926     | 26,263         |

|   |            |               |               |
|---|------------|---------------|---------------|
| <b>Cash and Cash Equivalents at End of Period</b> | <u>610</u> | <u>20,034</u> | <u>20,036</u> |
|---|------------|---------------|---------------|

- Note: (1) *Unaudited, prepared by AUO based on ROC GAAP*  
(2) *Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 32.83 per USD as of Jun 30, 2007*
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**AU OPTRONICS CORP.**  
**UNCONSOLIDATED BALANCE SHEET**  
**June 30, 2007 and 2006**

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) )

|   | June 30, 2007 |                |              | June 30, 2006  |              | YoY            |             |
|---|---------------|----------------|--------------|----------------|--------------|----------------|-------------|
|   | USD           | NTD            | %            | NTD            | %            | Change         | %           |
| <b>ASSETS</b>                                 |               |                |              |                |              |                |             |
| Cash and Cash Equivalents                     | 481           | 15,796         | 3.0          | 13,551         | 4.2          | 2,245          | 16.6        |
| Available-for-Sale Financial Assets - Current | 54            | 1,780          | 0.3          | 1,772          | 0.5          | 7              | 0.4         |
| Notes & Accounts Receivables                  | 1,874         | 61,526         | 11.7         | 34,954         | 10.7         | 26,572         | 76.0        |
| Inventories                                   | 1,236         | 40,579         | 7.7          | 23,616         | 7.2          | 16,963         | 71.8        |
| Other Current Financial Assets                | 33            | 1,092          | 0.2          | 500            | 0.2          | 591            | 118.1       |
| Other Current Assets                          | 155           | 5,084          | 1.0          | 4,680          | 1.4          | 403            | 8.6         |
| <b>Total Current Assets</b>                   | <b>3,834</b>  | <b>125,856</b> | <b>23.8</b>  | <b>79,075</b>  | <b>24.3</b>  | <b>46,782</b>  | <b>59.2</b> |
| Long-term Investments                         | 844           | 27,721         | 5.3          | 15,181         | 4.7          | 12,540         | 82.6        |
| Fixed Assets                                  | 15,579        | 511,450        | 96.9         | 331,803        | 101.8        | 179,647        | 54.1        |
| Less Accumulated Depreciation                 | ( 5,092)      | ( 167,181)     | ( 31.7)      | ( 107,824)     | ( 33.1)      | ( 59,357)      | 55.1        |
| <b>Net Fixed Assets</b>                       | <b>10,486</b> | <b>344,269</b> | <b>65.2</b>  | <b>223,979</b> | <b>68.7</b>  | <b>120,290</b> | <b>53.7</b> |
| Other Assets                                  | 917           | 30,120         | 5.7          | 7,583          | 2.3          | 22,537         | 297.2       |
| <b>Total Assets</b>                           | <b>16,082</b> | <b>527,967</b> | <b>100.0</b> | <b>325,819</b> | <b>100.0</b> | <b>202,148</b> | <b>62.0</b> |
| <b>LIABILITIES</b>                            |               |                |              |                |              |                |             |
| Short-term Borrowing                          | 0             | 0              | 0.0          | 200            | 0.1          | ( 200)         | —           |
| Accounts Payable                              | 2,347         | 77,066         | 14.6         | 46,416         | 14.2         | 30,650         | 66.0        |
| Current Installments of Long-term Borrowings  | 1,063         | 34,914         | 6.6          | 12,424         | 3.8          | 22,490         | 181.0       |
| Current Financial Liabilities                 | 19            | 617            | 0.1          | 386            | 0.1          | 231            | 59.9        |
| Other Current Liabilities                     | 863           | 28,323         | 5.4          | 24,781         | 7.6          | 3,543          | 14.3        |
| <b>Total Current Liabilities</b>              | <b>4,292</b>  | <b>140,920</b> | <b>26.7</b>  | <b>84,206</b>  | <b>25.8</b>  | <b>56,714</b>  | <b>67.4</b> |
| Long-term Borrowings                          | 3,885         | 127,536        | 24.2         | 64,888         | 19.9         | 62,648         | 96.5        |
| Bonds Payable                                 | 851           | 27,949         | 5.3          | 16,000         | 4.9          | 11,949         | 74.7        |



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|   |               |                |              |                |              |                |             |
|---|---------------|----------------|--------------|----------------|--------------|----------------|-------------|
| Other Long-term Liabilities                         | 0             | 9              | 0.0          | 387            | 0.1          | ( 378)         | (97.7)      |
| Total Liabilities                                   | 9,029         | 296,413        | 56.1         | 165,480        | 50.8         | 130,933        | 79.1        |
| <b>SHAREHOLDERS' EQUITY</b>                         |               |                |              |                |              |                |             |
| Common Stock  | 2,404         | 78,912         | 14.9         | 60,941         | 18.7         | 17,971         | 29.5        |
| Capital Surplus                                     | 3,371         | 110,662        | 21.0         | 57,679         | 17.7         | 52,983         | 91.9        |
| Retained Earnings                                   | 1,249         | 40,994         | 7.8          | 41,720         | 12.8         | ( 726)         | (1.7)       |
| Cumulative Translation Adjustments                  | 18            | 596            | 0.1          | 61             | 0.0          | 535            | 884.4       |
| Unrealized Gain/Loss on Financial Products          | 12            | 392            | 0.1          | (62)           | 0.0          | 454            | —           |
| Deferred Compensation Cost                          | ( 0)          | ( 2)           | 0.0          | 0              | 0.0          | ( 2)           | —           |
| Total Shareholders' Equity                          | 7,053         | 231,554        | 43.9         | 160,339        | 49.2         | 71,215         | 44.4        |
| <b>Total Liabilities &amp; Shareholders' Equity</b> | <b>16,082</b> | <b>527,967</b> | <b>100.0</b> | <b>325,819</b> | <b>100.0</b> | <b>202,148</b> | <b>62.0</b> |

Note: (1) Unaudited, prepared by AUO based on ROC GAAP

(2) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 32.83 per USD as of Jun 30, 2007

**AU OPTRONICS CORP.**  
**UNCONSOLIDATED INCOME STATEMENT**

For the Three Months Ended June 30, 2007 and 2006 and March 31, 2007

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) except for per share amounts and shares outstanding)

|                         | Year over Year Comparison |         |       |        |          | Sequential Comparison |         |       |         |         |
|-------------------------|---------------------------|---------|-------|--------|----------|-----------------------|---------|-------|---------|---------|
|                         | 2Q 2007                   |         | % of  | 2Q     | YoY Chg. | 2Q 2007               |         | % of  | 1Q      | QoQ Chg |
|                         | USD                       | NTD     | Sales | NTD    |          | %                     | USD     | NTD   | Sales   |         |
| Net Sales               | 3,227                     | 105,929 | 100.0 | 60,880 | 74.0     | 3,227                 | 105,929 | 100.0 | 80,694  | 31.3    |
| Cost of Goods Sold      | 2,907                     | 95,430  | 90.1  | 56,210 | 69.8     | 2,907                 | 95,430  | 90.1  | 81,091  | 17.7    |
| Gross Profit (Loss)     | 320                       | 10,499  | 9.9   | 4,670  | 124.8    | 320                   | 10,499  | 9.9   | (397)   | --      |
| Operating Expenses      |                           |         |       |        |          |                       |         |       |         |         |
| SG&A                    | 100                       | 3,276   | 3.1   | 2,563  | 27.8     | 100                   | 3,276   | 3.1   | 2,704   | 21.2    |
| R&D                     | 38                        | 1,231   | 1.2   | 924    | 33.2     | 38                    | 1,231   | 1.2   | 1,210   | 1.7     |
|                         | 137                       | 4,507   | 4.3   | 3,487  | 29.3     | 137                   | 4,507   | 4.3   | 3,914   | 15.1    |
| Operating Income (Loss) | 183                       | 5,992   | 5.7   | 1,183  | 406.4    | 183                   | 5,992   | 5.7   | (4,311) | --      |

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|  | Year over Year Comparison |       |       |       |        | Sequential Comparison |       |        |         |        |
|--|---------------------------|-------|-------|-------|--------|-----------------------|-------|--------|---------|--------|
|  |                           |       |       |       |        |                       |       |        |         |        |
| Net Non-Operating Expenses                                 | (1)                       | (33)  | (0.0) | (877) | (96.3) | (1)                   | (33)  | (0.0.) | (794)   | (95.9) |
| Income (Loss) before Income Tax                            | 182                       | 5,959 | 5.6   | 307   | 1843.5 | 182                   | 5,959 | 5.6    | (5,105) | --     |
| Income Tax Benefit (Expense)                               | 1                         | 28    | 0.0   | (125) | --     | 1                     | 28    | 0.0    | 0       |        |
| Net Income (Loss)  | 182                       | 5,987 | 5.7   | 182   | 3191.3 | 182                   | 5,987 | 5.7    | (5,105) | --     |
| Basic Earnings Per Share                                   | 0.02                      | 0.79  |       | 0.03  |        | 0.02                  | 0.79  |        | (0.67)  |        |
| Basic Earnings Per ADR(3)                                  | 0.24                      | 7.90  |       | 0.30  |        | 0.24                  | 7.90  |        | (6.74)  |        |
| Weighted Average Number of Shares<br>Outstanding (Million) |                           | 7,576 |       | 6,094 |        |                       | 7,576 |        | 7,574   |        |

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(2) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NT\$32.83 per USD as of June 30, 2007  
(3) 1 ADR equals 10 common shares

**AU OPTRONICS CORP.**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Six Months Ended June 30, 2007 and 2006**  
(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))

|   | 1H 2007 |          | 1H<br>2006 |
|---|---------|----------|------------|
|   | USD     | NTD      | NTD        |
| <b>Cash Flows from Operating Activities:</b>            |         |          |            |
| Net Income  | 27      | 882      | 6,832      |
| Depreciation & Amortization                             | 1,116   | 36,635   | 20,620     |
| Provision for Inventory Devaluation                     | (39)    | (1,283)  | 980        |
| Investment Loss (Gain) under Equity Method              | (19)    | (614)    | 448        |
| Changes in Working Capital & Others                     | (43)    | (1,396)  | (1,624)    |
|   |         |          |            |
| Net Cash Provided by Operating Activities               | 1,042   | 34,224   | 27,257     |
| <b>Cash Flows from Investing Activities:</b>            |         |          |            |
| Acquisition of Property, Plant and Equipment            | (1,155) | (37,905) | (39,905)   |
| Proceeds from Disposal of Property, Plant and Equipment | 0       | 4        | 43         |
| Increase in Long-term Investments                       | (95)    | (3,116)  | (3,847)    |
| Increase in Restricted Cash in Banks                    | (0)     | (3)      | 0          |
| Increase in Deferred Assets and Intangible Assets       | (43)    | (1,420)  | (906)      |
| Decrease in Other Assets                                | 5       | 148      | 30         |
|   |         |          |            |
| Net Cash Used in Investing Activities                   | (1,288) | (42,291) | (44,584)   |
| <b>Cash Flows from Financing Activities:</b>            |         |          |            |
| Increase in Short-term Borrowings                       | 0       | 0        | 200        |
| Decrease in Guarantee Deposits                          | (0)     | (2)      | (0)        |
| Increase (Decrease) in Long-term Borrowings             | (524)   | (17,204) | 5,894      |
| Employee Stock Options Exercised                        | 1       | 45       | 0          |
|   |         |          |            |
| Net Cash Provided by Financing Activities               | (523)   | (17,161) | 6,094      |
| <b>Effect of Exchange Rate Change on Cash</b>           | (1)     | (17)     | 118        |
|   |         |          |            |
| <b>Net Decrease in Cash and Cash Equivalents</b>        | (769)   | (25,245) | (11,116)   |
| <b>Cash and Cash Equivalents at Beginning of Period</b> | 1,250   | 41,042   | 24,667     |
|   |         |          |            |
| <b>Cash and Cash Equivalents at End of Period</b>       | 481     | 15,796   | 13,551     |

Note: (1) Unaudited, prepared by AUO based on ROC GAAP

(2) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 32.83 per USD as of Jun 30, 2007