

**Financial Statement – Statements of Cash Flows**

Provided by: STARK TECHNOLOGY, INC.

Finacial year: Yearly

Unit: NT\$ thousand

Accounting Title	2015/01/01To2015/03/31	2014/01/01To2014/03/31
<b>Statement of cash flows</b>		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	74,223	68,629
Profit (loss) before tax	74,223	68,629
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	5,767	6,743
Amortization expense	1,463	1,852
Provision (reversal of provision) for bad debt expense	1,500	1,497
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	0	0
Interest expense	32	128
Interest income	-787	-1,488
Loss (gain) on disposal of property, plan and equipment	9	0
Loss (gain) on disposal of investments	407	397
Total adjustments to reconcile profit (loss)	8,391	9,129
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	3,046	-5,063
Decrease (increase) in accounts receivable	313,924	161,294
Decrease (increase) in other receivable	-3,407	863
Decrease (increase) in inventories	93,986	-56,767
Decrease (increase) in prepayments	278	-11,973
Decrease (increase) in other current assets	-191	-195
Total changes in operating assets	407,636	88,159
Changes in operating liabilities		
Increase (decrease) in notes payable	-10,499	747
Increase (decrease) in accounts payable	-129,600	-85,380
Increase (decrease) in other payable	-46,690	-21,465
Increase (decrease) in receipts in advance	-130,109	-55,857
Increase (decrease) in other current liabilities	-4,125	-1,493
Increase (decrease) in net defined benefit liability	-898	-793
Total changes in operating liabilities	-321,921	-164,241
Total changes in operating assets and liabilities	85,715	-76,082
Total adjustments	94,106	-66,953
Cash inflow (outflow) generated from operations	168,329	1,676
	2,748	939

Interest received		
Interest paid	-22	-107
Income taxes refund (paid)	-14,110	-233
Net cash flows from (used in) operating activities	156,945	2,275
Cash flows from (used in) investing activities		
Acquisition of available-for-sale financial assets	0	-5,329
Proceeds from disposal of available-for-sale financial assets	0	54
Proceeds from disposal of financial assets at cost	793	800
Proceeds from capital reduction of financial assets at cost	3,304	0
Acquisition of property, plant and equipment	-1,298	-4,081
Proceeds from disposal of property, plant and equipment	0	0
Decrease in refundable deposits	11,897	2,434
Acquisition of intangible assets	0	0
Increase in other financial assets	-4,000	-558
Increase in other non-current assets	-152	-1,261
Net cash flows from (used in) investing activities	10,544	-7,941
Cash flows from (used in) financing activities		
Increase in short-term loans	-6,615	-20,765
Repayments of long-term debt	0	0
Decrease in guarantee deposits received	77	-16
Net cash flows from (used in) financing activities	-6,538	-20,781
Effect of exchange rate changes on cash and cash equivalents	-2,622	-1,680
Net increase (decrease) in cash and cash equivalents	158,329	-28,127
Cash and cash equivalents at beginning of period	721,584	1,171,615
Cash and cash equivalents at end of period	879,913	1,143,488
Cash and cash equivalents reported in the statement of financial position	879,913	1,143,488