

Statements of Cash Flows

Provided by: STARK TECHNOLOGY, INC.
 Financial year: Yearly
 Unit: NT\$ thousand

STARK TECHNOLOGY, INC.
 NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
 Nine Months Ended September 30, 2012 AND 2011

	(In Thousands of New Taiwan Dollars)	
	2012	2011
	=====	=====
Cash Flows from Operating Activities - Indirect Method		
Net Income (Loss)	\$228,763	\$205,277
Adjustments to Reconcile Net Income to Net Cash Provided by (Used in) Operating Activities		
Depreciation Expense	20,819	23,259
Amortization Expense	9,035	9,576
Provision (Reversal of Provision) for Bad Debts Losses	1,267	0
Employee Bonuses	33,000	33,000
Loss (Gain) on Decline (Recovery) in Market Value, Scrap and Obsolescence of Inventories	3,281	0
Investment Loss (Income) Recognized under Equity Method	(3,912)	(1,789)
Loss (Gain) on Disposal of Property, Plant and Equipment	(179)	273
Loss (Gain) on Disposal of Investments	(836)	(198)
Unrealized Revaluation Loss (Gain) on Financial Assets and Liabilities	0	167
Impairment Losses on Financial Asset	0	600
Reversal of Impairment Loss on Financial Assets	0	0
Unrealized Gain (Loss) on Intercompany Transactions	0	0
Realized Loss (Gain) on Intercompany Transactions	0	(13)
Loss (Gain) on Deferred Income Tax	13,743	36,810
Other Adjustments to Reconcile Net Income	0	0
Changes in Operating Assets and Liabilities		
Decrease (Increase) in Notes Receivable	9,633	19,323
Decrease (Increase) in Accounts Receivable	(143,944)	(291,429)
Decrease (Increase) in Accounts Receivable - Related Parties	119	10,107
Decrease (Increase) in Other Receivables	(587)	1,974
Decrease (Increase) in Inventories	4,984	85,410
Decrease (Increase) in Other Prepayments	(60,570)	2,613
Decrease (Increase) in Other Current Assets	147	2,092
Increase (Decrease) in Financial Liabilities Held for Trading	(134)	0
Increase (Decrease) in Notes Payable	(54,572)	(5,084)
Increase (Decrease) in Accounts Payable	5,237	(17,302)
Increase (Decrease) in Accounts Payable - Related Parties	34	(508)
Increase (Decrease) in Income Tax Payable	(4,948)	1,087
Increase (Decrease) in Accrued Expenses	(77,919)	(71,050)
Increase (Decrease) in Other Payables	(5,589)	5,087
Increase (Decrease) in Receipts in Advance	(26,034)	(6,699)
Increase (Decrease) in Other Current Liabilities	2,116	32
Increase (Decrease) in Accrued Pension Liabilities	(1,826)	0
Net Cash Provided by (Used in) Operating Activities	(48,872)	42,615
Cash Flows from Investing Activities		
Acquisition of Available-for-sale Financial Assets	0	(2,008)
Proceeds from Disposal of Available-for-sale Financial Assets	92,839	72,492
Acquisition of Financial Assets Carried at Cost	0	0
Proceeds from Disposal of Financial Assets Carried at Cost	0	1,701
Acquisition of Investments Accounted for by Equity Method	0	0
Decrease (Increase) in Prepayments for Long-term Investments	0	0
Purchase of Property, Plant and Equipment	(3,079)	(8,649)
Proceeds from Disposal of Property, Plant and Equipment	952	0
Decrease (Increase) in Refundable Deposits	9,810	2,850
Increase in Deferred Charges	(4,199)	(166)
Decrease (Increase) in Restricted Assets	405	(2,668)
Decrease (Increase) in Other Assets	257	(2,132)
Net Cash Provided by (Used in) Investing Activities	96,985	61,420
Cash Flows from Financing Activities		
Increase (Decrease) in Short-term Loans	(26,428)	13,021
Proceeds from Long-term Debt	0	0
Repayment of Long-term Debt	(4,167)	(25,000)
Increase (Decrease) in Guarantee Deposits Received	(2,362)	(85)
Cash Dividends Paid	(252,605)	(248,617)

Net Cash Provided by (Used in) Financing Activities	(285,562)	(260,681)
Net Increase (Decrease) in Cash and Cash Equivalents	(237,449)	(156,646)
Cash and Cash Equivalents, Beginning of year	574,363	510,977
Cash and Cash Equivalents, End of year	\$336,914	\$354,331
Supplemental Cash Flow Information		
Interest Paid	\$726	\$897
Capitalized Interest	\$0	\$0
Interest Paid- Excluding Capitalized Interest	\$726	\$897
Income Tax Paid	\$43,770	\$28,990
Non-cash Investing and Financing Activities		
Current Portion of Long-term Liabilities	\$0	\$6,250
Unrealized Valuation Gains or Losses on Financial Instruments	\$733	(\$1,830)
Unrealized Gains or Losses on Financial Instruments Recognized due to Equity Changes in Long-term Investments	\$2,665	(\$6,689)
Cumulative Translation Adjustments	(\$2,857)	\$9,031