

**Financial Statement – Statements of Cash Flows**

Provided by: STARK TECHNOLOGY, INC.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2013/01/01To2013/09/30	2012/01/01To2012/09/30
<b>Statement of cash flows</b>		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	314,109	282,370
Profit (loss) before tax	314,109	282,370
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	22,477	25,782
Amortization expense	5,566	4,389
Provision (reversal of provision) for bad debt expense	3,576	3,375
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	0	-134
Interest expense	481	697
Interest income	-7,314	-6,016
Dividend income	-2,298	-2,673
Loss (gain) on disposal of property, plan and equipment	-66,770	-1
Loss (gain) on disposal of intangible assets	3	0
Loss (gain) on disposal of investments	2,242	-836
Impairment loss on financial assets	10,000	0
Total adjustments to reconcile profit (loss)	-32,037	24,583
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	-782	9,633
Decrease (increase) in accounts receivable	322,288	-78,794
Decrease (increase) in other receivable	-266	-590
Decrease (increase) in inventories	-66,311	8,964
Decrease (increase) in prepayments	-4,449	-63,954
Decrease (increase) in other current assets	331	2,042
Total changes in operating assets	250,811	-122,699
Changes in operating liabilities		
Increase (decrease) in notes payable	-1,009	-54,572
Increase (decrease) in accounts payable	-150,149	-33,224
Increase (decrease) in other payable	-1,760	-59,624
Increase (decrease) in receipts in advance	24,230	-25,276
Increase (decrease) in other current liabilities	-306	2,123
Increase (decrease) in accrued pension liabilities	-2,408	-1,826
Total changes in operating liabilities	-131,402	-172,399
	119,409	-295,098

Total changes in operating assets and liabilities		
Total adjustments	87,372	-270,515
Cash inflow (outflow) generated from operations	401,481	11,855
Interest received	6,160	4,382
Dividends received	2,298	2,673
Interest paid	-473	-726
Income taxes refund (paid)	-51,238	-43,920
Net cash flows from (used in) operating activities	358,228	-25,736
Cash flows from (used in) investing activities		
Acquisition of available-for-sale financial assets	-10,000	0
Proceeds from disposal of available-for-sale financial assets	5,133	92,839
Proceeds from disposal of financial assets at cost	800	0
Proceeds from capital reduction of financial assets at cost	0	1,467
Acquisition of property, plant and equipment	-34,346	-4,333
Proceeds from disposal of property, plant and equipment	122,854	952
Decrease in refundable deposits	12,457	10,804
Acquisition of intangible assets	-386	-4,000
Decrease in other financial assets	2,705	405
Increase in other non-current assets	1,167	-1,170
Net cash flows from (used in) investing activities	100,384	96,964
Cash flows from (used in) financing activities		
Decrease in short-term loans	-14,141	-26,428
Repayments of long-term debt	0	-4,167
Increase in guarantee deposits received	128	-2,362
Cash dividends paid	-265,901	-252,605
Net cash flows from (used in) financing activities	-279,914	-285,562
Effect of exchange rate changes on cash and cash equivalents	5,886	-2,820
Net increase (decrease) in cash and cash equivalents	184,584	-217,154
Cash and cash equivalents at beginning of period	747,619	717,408
Cash and cash equivalents at end of period	932,203	500,254
Cash and cash equivalents reported in the statement of financial position	932,203	500,254