

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

ASSETS	September 30, 2013		December 31, 2012		September 30, 2012		January 1, 2012	
	Amount	%	Amount	%	Amount	%	Amount	%
CURRENT ASSETS								
Cash and cash equivalents (Notes 4 and 6)	\$ 31,718,523	13	\$ 28,854,625	12	\$ 22,767,863	9	\$ 25,185,059	11
Financial assets at fair value through profit or loss, current (Notes 4 and 7)	456,959	-	618,282	-	948,418	1	714,547	-
Available-for-sale financial assets, current (Notes 4 and 8)	12,900,654	5	12,119,802	5	11,991,399	5	10,745,285	4
Financial assets measured at cost, current (Notes 4 and 10)	4,911	-	-	-	-	-	28,399	-
Debt investments with no active market, current (Notes 4, 11 and 41)	232,497	-	517,641	-	530,876	-	156,471	-
Notes receivable (Notes 4 and 12)	21,670	-	80,167	-	69,196	-	57,726	-
Notes receivable from affiliates (Notes 4, 12 and 40)	91	-	302	-	153	-	43,887	-
Accounts receivable (Notes 4 and 12)	27,939,680	12	28,007,419	11	27,688,510	12	23,140,654	10
Accounts receivable from affiliates (Notes 4, 12 and 40)	251,177	-	192,880	-	639,464	-	704,875	-
Other receivables (Notes 4 and 12)	2,907,315	1	3,756,199	2	5,213,136	2	3,882,001	2
Inventories (Notes 4 and 14)	40,652,236	17	38,402,091	16	38,631,076	16	36,066,777	15
Prepayments for lease (Notes 4 and 21)	160,861	-	157,629	-	158,633	-	163,576	-
Noncurrent assets held for sale (Notes 4 and 15)	159,648	-	48,613	-	64,273	-	3,170,549	1
Other assets, current (Notes 4 and 22)	9,623,126	4	7,108,432	3	6,945,649	3	7,100,212	3
Total current assets	<u>127,029,348</u>	<u>52</u>	<u>119,864,082</u>	<u>49</u>	<u>115,648,646</u>	<u>48</u>	<u>111,160,018</u>	<u>46</u>
NONCURRENT ASSETS								
Financial assets at fair value through profit or loss, noncurrent (Notes 4 and 7)	297,300	-	27,177	-	120,753	-	677,040	-
Available-for-sale financial assets, noncurrent (Notes 4 and 8)	421,341	-	515,195	-	523,446	-	460,759	-
Financial assets measured at cost, noncurrent (Notes 4 and 10)	996,343	-	850,089	-	922,449	-	822,120	-
Debt investment with no active market, noncurrent (Notes 4, 11 and 41)	19,610	-	25,864	-	387,406	-	405,726	-
Investments accounted for under the equity method (Notes 4, 16 and 41)	34,336,905	14	39,839,473	16	41,957,921	17	40,813,138	17
Property, plant and equipment (Notes 4, 17 and 41)	59,925,847	25	61,375,481	25	62,008,324	25	63,229,353	27
Investment properties (Notes 4, 18 and 41)	2,079,900	1	1,481,943	1	834,221	-	2,201,802	1
Goodwill (Notes 4 and 19)	8,530,550	4	8,380,759	3	8,711,940	4	7,831,554	3
Other intangible assets (Notes 4 and 20)	3,854,065	2	3,894,643	2	4,220,260	2	3,389,071	2
Deferred tax assets (Note 4)	396,440	-	274,405	-	269,132	-	221,342	-
Prepayments for investment	-	-	-	-	57,037	-	131,575	-
Long-term prepayments for lease (Notes 4, 21 and 41)	5,212,927	2	5,987,930	3	6,238,516	3	6,491,856	3
Other assets, noncurrent (Notes 4 and 22)	1,113,648	-	1,195,282	1	1,285,684	1	1,620,222	1
Total noncurrent assets	<u>117,184,876</u>	<u>48</u>	<u>123,848,241</u>	<u>51</u>	<u>127,537,089</u>	<u>52</u>	<u>128,295,558</u>	<u>54</u>
TOTAL	<u>\$ 244,214,224</u>	<u>100</u>	<u>\$ 243,712,323</u>	<u>100</u>	<u>\$ 243,185,735</u>	<u>100</u>	<u>\$ 239,455,576</u>	<u>100</u>
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Note 23)	\$ 20,144,391	8	\$ 15,662,647	6	\$ 17,359,206	7	\$ 18,972,990	8
Short-term bills payable (Note 23)	2,426,003	1	2,465,191	1	2,354,753	1	2,818,143	1
Financial liabilities at fair value through profit or loss, current (Notes 4 and 7)	24,010	-	41,552	-	177,971	-	448,579	-
Derivative financial liabilities for hedging, current (Notes 4 and 9)	-	-	5,430	-	11,121	-	22,901	-
Notes payables (Notes 4 and 24)	18,782	-	30,899	-	28,580	-	90,598	-
Notes payables from affiliates (Notes 4, 24 and 40)	34,718	-	38,182	-	37,788	-	25,843	-
Accounts payables (Notes 4 and 24)	11,375,764	5	10,624,947	4	11,403,504	5	14,327,808	6
Accounts payables from affiliates (Notes 4, 24 and 40)	1,459,363	-	1,557,421	1	1,716,950	1	1,923,445	1
Amounts due to customers for construction contracts (Notes 4 and 13)	-	-	-	-	-	-	59,260	-
Other payables (Note 25)	19,061,480	8	19,644,224	8	16,124,884	7	15,275,506	6
Current tax liabilities (Note 4)	1,749,851	1	1,196,063	1	1,115,890	-	1,054,772	1
Liabilities directly associated with noncurrent assets held for sale (Notes 4 and 15)	53,906	-	-	-	-	-	1,167,101	1
Current portion of long-term borrowings (Note 23)	1,530,163	1	15,978,798	7	14,324,563	6	3,354,105	1
Other liabilities, current	3,761,869	1	3,284,624	1	3,381,475	1	2,496,967	1
Total current liabilities	<u>61,640,300</u>	<u>25</u>	<u>70,529,978</u>	<u>29</u>	<u>68,036,685</u>	<u>28</u>	<u>62,038,018</u>	<u>26</u>
NONCURRENT LIABILITIES								
Derivative financial liabilities for hedging, noncurrent (Notes 4 and 9)	-	-	-	-	-	-	11,450	-
Long-term borrowings (Note 23)	47,071,297	19	36,753,761	15	40,135,882	17	48,905,284	20
Deferred tax liabilities (Note 4)	1,802,671	1	1,992,127	1	1,661,671	1	1,589,797	1
Long-term other payables (Note 25)	668,022	-	581,991	-	633,211	-	49,103	-
Accrued pension liabilities (Note 4)	1,293,129	1	1,286,665	1	1,096,875	-	1,090,159	-
Other liabilities, noncurrent	36,128	-	22,929	-	23,057	-	18,297	-
Total noncurrent liabilities	<u>50,871,247</u>	<u>21</u>	<u>40,637,473</u>	<u>17</u>	<u>43,550,696</u>	<u>18</u>	<u>51,664,090</u>	<u>21</u>
Total liabilities	<u>112,511,547</u>	<u>46</u>	<u>111,167,451</u>	<u>46</u>	<u>111,587,381</u>	<u>46</u>	<u>113,702,108</u>	<u>47</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 27)								
Capital stock	29,441,372	12	29,431,849	12	29,431,849	12	29,241,469	12
Capital surplus	4,366,010	2	4,298,105	2	3,913,183	1	3,835,905	2
Retain earnings								
Legal reserve	8,336,553	3	7,320,919	3	7,320,919	3	6,740,247	3
Special reserve	4,435,090	2	3,128,375	1	3,128,375	1	3,283,792	1
Unappropriated earnings	21,392,234	9	20,234,617	8	18,769,527	8	14,529,965	6
	<u>34,163,877</u>	<u>14</u>	<u>30,683,911</u>	<u>12</u>	<u>29,218,821</u>	<u>12</u>	<u>24,554,004</u>	<u>10</u>
Other equity	(10,339,134)	(4)	(2,025,774)	(1)	(837,188)	-	(940,846)	-
Treasury stock	(188,728)	-	(188,728)	-	(188,728)	-	(194,789)	-
Total equity attributable to owners of the Company	<u>57,443,397</u>	<u>24</u>	<u>62,199,363</u>	<u>25</u>	<u>61,537,937</u>	<u>25</u>	<u>56,495,743</u>	<u>24</u>
NON-CONTROLLING INTERESTS	<u>74,259,280</u>	<u>30</u>	<u>70,345,509</u>	<u>29</u>	<u>70,060,417</u>	<u>29</u>	<u>69,257,725</u>	<u>29</u>
Total equity	<u>131,702,677</u>	<u>54</u>	<u>132,544,872</u>	<u>54</u>	<u>131,598,354</u>	<u>54</u>	<u>125,753,468</u>	<u>53</u>
TOTAL	<u>\$ 244,214,224</u>	<u>100</u>	<u>\$ 243,712,323</u>	<u>100</u>	<u>\$ 243,185,735</u>	<u>100</u>	<u>\$ 239,455,576</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated November 13, 2013)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	Three Months Ended September 30				Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
GROSS SALES AND REVENUES EARNED (Notes 4, 28 and 40)	\$ 55,923,992	100	\$ 58,484,963	100	\$ 166,572,136	100	\$ 168,889,999	100
COST OF GOODS SOLD (Notes 26, 29 and 40)	<u>43,463,165</u>	<u>78</u>	<u>43,976,407</u>	<u>75</u>	<u>130,134,767</u>	<u>78</u>	<u>127,260,634</u>	<u>75</u>
GROSS PROFIT	<u>12,460,827</u>	<u>22</u>	<u>14,508,556</u>	<u>25</u>	<u>36,437,369</u>	<u>22</u>	<u>41,629,365</u>	<u>25</u>
OPERATING EXPENSES (Notes 26 and 29)								
Selling expenses	4,734,486	8	4,903,192	8	13,700,430	8	14,050,502	8
General and administrative expenses	4,169,249	7	3,769,275	7	11,597,221	7	11,183,230	7
Research and development expenses	<u>1,520,414</u>	<u>3</u>	<u>1,537,253</u>	<u>3</u>	<u>4,557,531</u>	<u>3</u>	<u>4,470,306</u>	<u>3</u>
Total operating expenses	<u>10,424,149</u>	<u>18</u>	<u>10,209,720</u>	<u>18</u>	<u>29,855,182</u>	<u>18</u>	<u>29,704,038</u>	<u>18</u>
INCOME FROM OPERATIONS	<u>2,036,678</u>	<u>4</u>	<u>4,298,836</u>	<u>7</u>	<u>6,582,187</u>	<u>4</u>	<u>11,925,327</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES								
Other income (Note 29)	1,531,241	3	770,653	2	2,671,149	2	1,351,861	1
Other gains and losses (Note 29)	1,550,238	3	(483,824)	(1)	2,107,586	1	(3,221)	-
Finance costs (Note 29)	(294,827)	(1)	(418,468)	(1)	(968,506)	-	(1,221,773)	(1)
Investment income in associates and joint ventures recognized under the equity method	<u>1,575,855</u>	<u>3</u>	<u>1,235,953</u>	<u>2</u>	<u>3,688,799</u>	<u>2</u>	<u>3,739,719</u>	<u>2</u>
Total non-operating income and expenses	<u>4,362,507</u>	<u>8</u>	<u>1,104,314</u>	<u>2</u>	<u>7,499,028</u>	<u>5</u>	<u>3,866,586</u>	<u>2</u>
INCOME BEFORE INCOME TAX	6,399,185	12	5,403,150	9	14,081,215	9	15,791,913	9
INCOME TAX EXPENSE (Notes 4 and 30)	<u>(489,490)</u>	<u>(1)</u>	<u>(322,393)</u>	<u>-</u>	<u>(1,405,581)</u>	<u>(1)</u>	<u>(1,011,056)</u>	<u>-</u>
NET INCOME	<u>5,909,695</u>	<u>11</u>	<u>5,080,757</u>	<u>9</u>	<u>12,675,634</u>	<u>8</u>	<u>14,780,857</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME, NET								
Exchange differences on translating foreign operations	(687,317)	(1)	(1,201,070)	(2)	1,692,802	1	(1,647,133)	(1)
Unrealized gain on available-for-sale financial assets	252,171	-	176,551	-	281,487	-	441,642	-
Cash flow hedges	-	-	5,719	-	5,430	-	23,230	-
Other comprehensive income in associates and joint ventures recognized under the equity method	<u>(2,611,990)</u>	<u>(5)</u>	<u>1,422,281</u>	<u>2</u>	<u>(9,859,620)</u>	<u>(6)</u>	<u>1,184,255</u>	<u>1</u>
Other comprehensive income, net	<u>(3,047,136)</u>	<u>(6)</u>	<u>403,481</u>	<u>-</u>	<u>(7,879,901)</u>	<u>(5)</u>	<u>1,994</u>	<u>-</u>

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)
(Reviewed, Not Audited)

	Three Months Ended September 30				Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME	\$ 2,862,559	5	\$ 5,484,238	9	\$ 4,795,733	3	\$ 14,782,851	9
NET INCOME								
ATTRIBUTABLE TO:								
Owner of the Company	\$ 3,903,564	7	\$ 2,985,668	5	\$ 7,896,171	5	\$ 8,488,983	5
Non-controlling interests	<u>2,006,131</u>	<u>4</u>	<u>2,095,089</u>	<u>4</u>	<u>4,779,463</u>	<u>3</u>	<u>6,291,874</u>	<u>4</u>
	<u>\$ 5,909,695</u>	<u>11</u>	<u>\$ 5,080,757</u>	<u>9</u>	<u>\$ 12,675,634</u>	<u>8</u>	<u>\$ 14,780,857</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Owner of the Company	\$ 714,346	1	\$ 3,511,802	6	\$ (417,189)	-	\$ 8,592,641	5
Non-controlling interests	<u>2,148,213</u>	<u>4</u>	<u>1,972,436</u>	<u>3</u>	<u>5,212,922</u>	<u>3</u>	<u>6,190,210</u>	<u>4</u>
	<u>\$ 2,862,559</u>	<u>5</u>	<u>\$ 5,484,238</u>	<u>9</u>	<u>\$ 4,795,733</u>	<u>3</u>	<u>\$ 14,782,851</u>	<u>9</u>
EARNINGS PER SHARE								
(Note 31)								
Basic	<u>\$1.33</u>		<u>\$1.02</u>		<u>\$2.69</u>		<u>\$2.90</u>	
Diluted	<u>\$1.30</u>		<u>\$1.00</u>		<u>\$2.63</u>		<u>\$2.86</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated November 13, 2013)

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owner of the Company											Non-controlling Interests	Total Equity
	Retained Earnings					Other Equity					Total		
	Capital Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation Foreign Operations	Unrealized Gains (Losses) on Available-for-sale Financial Assets	Cash Flow Hedges	Treasury Stock				
BALANCE AT JANUARY 1, 2012	\$ 29,241,469	\$ 3,835,905	\$ 6,740,247	\$ 3,283,792	\$ 14,529,965	\$ -	\$ (906,495)	\$ (34,351)	\$ (194,789)	\$ 56,495,743	\$ 69,257,725	\$ 125,753,468	
Appropriation of 2011 earnings	-	-	580,672	-	(580,672)	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Special reserve	-	-	-	(155,417)	155,417	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(3,824,166)	-	-	-	-	(3,824,166)	-	(3,824,166)	
	-	-	580,672	(155,417)	(4,249,421)	-	-	-	-	(3,824,166)	-	(3,824,166)	
Net income for the nine months ended September 30, 2012	-	-	-	-	8,488,983	-	-	-	-	8,488,983	6,291,874	14,780,857	
Other comprehensive income (loss) for the nine months ended September 30, 2012	-	-	-	-	-	(1,544,603)	1,625,031	23,230	-	103,658	(101,664)	1,994	
Total other comprehensive income (loss) for the nine months ended September 30, 2012	-	-	-	-	8,488,983	(1,544,603)	1,625,031	23,230	-	8,592,641	6,190,210	14,782,851	
Execution of employee stock warrants (Notes 27 and 32)	190,380	4,800	-	-	-	-	-	-	-	195,180	-	195,180	
Adjustment in capital surplus from cash dividends received by subsidiaries	-	13,294	-	-	-	-	-	-	-	13,294	-	13,294	
Change in capital surplus from acquisition or disposal of interests in subsidiaries (Note 4)	-	56,587	-	-	-	-	-	-	-	56,587	-	56,587	
The treasury stock resold by the subsidiaries (Note 27)	-	2,597	-	-	-	-	-	-	6,061	8,658	-	8,658	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(5,387,518)	(5,387,518)	
Change in equity for the nine months ended September 30, 2012	190,380	77,278	580,672	(155,417)	4,239,562	(1,544,603)	1,625,031	23,230	6,061	5,042,194	802,692	5,844,886	
BALANCE, SEPTEMBER 30, 2012	<u>\$ 29,431,849</u>	<u>\$ 3,913,183</u>	<u>\$ 7,320,919</u>	<u>\$ 3,128,375</u>	<u>\$ 18,769,527</u>	<u>\$ (1,544,603)</u>	<u>\$ 718,536</u>	<u>\$ (11,121)</u>	<u>\$ (188,728)</u>	<u>\$ 61,537,937</u>	<u>\$ 70,060,417</u>	<u>\$ 131,598,354</u>	
BALANCE AT JANUARY 1, 2013	\$ 29,431,849	\$ 4,298,105	\$ 7,320,919	\$ 3,128,375	\$ 20,234,617	\$ (1,843,619)	\$ (176,725)	\$ (5,430)	\$ (188,728)	\$ 62,199,363	\$ 70,345,509	\$ 132,544,872	
Special reserve under Rule No.1010012865 issued by the FSC (Note 27)	-	-	-	134,641	(134,641)	-	-	-	-	-	-	-	
Appropriation of 2012 earnings	-	-	1,015,634	-	(1,015,634)	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Special reserve	-	-	-	1,172,074	(1,172,074)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(4,416,205)	-	-	-	-	(4,416,205)	-	(4,416,205)	
	-	-	1,015,634	1,172,074	(6,603,913)	-	-	-	-	(4,416,205)	-	(4,416,205)	
Net income for the nine months ended September 30, 2013	-	-	-	-	7,896,171	-	-	-	-	7,896,171	4,779,463	12,675,634	
Other comprehensive income (loss) for the nine months ended September 30, 2013	-	-	-	-	-	1,336,584	(9,655,374)	5,430	-	(8,313,360)	433,459	(7,879,901)	
Total other comprehensive income (loss) for the nine months ended September 30, 2013	-	-	-	-	7,896,171	1,336,584	(9,655,374)	5,430	-	(417,189)	5,212,922	4,795,733	
Execution of employee stock warrants (Notes 27 and 32)	9,523	9,713	-	-	-	-	-	-	-	19,236	-	19,236	
Adjustment in capital surplus from cash dividends received by subsidiaries	-	14,899	-	-	-	-	-	-	-	14,899	-	14,899	
Change in capital surplus from acquisition or disposal of interests in subsidiaries (Note 4)	-	43,293	-	-	-	-	-	-	-	43,293	-	43,293	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,299,151)	(1,299,151)	
Change in equity for the nine months ended September 30, 2013	9,523	67,905	1,015,634	1,306,715	1,157,617	1,336,584	(9,655,374)	5,430	-	(4,755,966)	3,913,771	(842,195)	
BALANCE AT SEPTEMBER 30, 2013	<u>\$ 29,441,372</u>	<u>\$ 4,366,010</u>	<u>\$ 8,336,553</u>	<u>\$ 4,435,090</u>	<u>\$ 21,392,234</u>	<u>\$ (507,035)</u>	<u>\$ (9,832,099)</u>	<u>\$ -</u>	<u>\$ (188,728)</u>	<u>\$ 57,443,397</u>	<u>\$ 74,259,280</u>	<u>\$ 131,702,677</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated November 13, 2013)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Nine Months Ended September 30	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 14,081,215	\$ 15,791,913
Adjustments for:		
Depreciation expenses	5,679,506	5,691,713
Amortization expenses	309,359	329,354
(Gain) loss on disposal of available-for-sale financial assets, net	(25,483)	40,689
Loss on disposal of financial assets measured at cost	10,269	1,933
(Gain) loss on fair value change of financial instruments at fair value through profit or loss, net	(560,069)	90,651
Finance costs	968,506	1,221,773
Interest income	(251,431)	(297,632)
Dividend income	(545,546)	(440,416)
Compensation (income) cost of employee share options	(4,270)	48,614
Investment income in associates and joint ventures recognized under the equity method	(3,688,799)	(3,739,719)
Loss (gain) on disposal of property, plant and equipment, net	257,120	(386,815)
Gain on disposal of subsidiaries, associates and joint ventures, net	(1,348,222)	(300,199)
Impairment loss	81,896	652,009
Changes in operating assets and liabilities		
Decrease (increase) in financial instruments at fair value through profit or loss	433,727	(67,338)
Decrease in notes receivable	58,708	32,264
Decrease (increase) in accounts receivable	9,442	(4,482,445)
Decrease (increase) in other receivable	834,192	(1,318,975)
Increase in inventories	(2,250,145)	(2,564,299)
(Increase) decrease in other current assets	(2,514,694)	154,563
Decrease in other operating assets	76,153	334,148
Decrease in notes payable	(15,581)	(50,073)
Increase (decrease) in accounts payable	652,759	(3,130,799)
Decrease in amounts due to customers for construction contracts	-	(59,260)
(Decrease) increase in other payable	(499,410)	2,494,129
Increase in other current liabilities	477,245	884,508
Increase in accrued pension liabilities	6,464	6,716
Increase in other operating liabilities	86,031	584,108
Cash generated from operations	12,318,942	11,521,115
Interest paid	(959,498)	(1,180,876)
Income tax paid	(1,173,004)	(1,186,307)
Net cash generated from operating activities	<u>10,186,440</u>	<u>9,153,932</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	-	(25,279)
Proceeds on sale of available-for-sale financial assets	150,440	96,224

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Nine Months Ended September 30	
	2013	2012
Acquisition of debt investments with no active market	(94,888)	(356,085)
Proceeds on sale of debt investments with no active market	386,286	-
Acquisition of financial assets measured at cost	(170,411)	(296,351)
Proceeds on sale of financial assets measured at cost	8,977	102,635
Acquisition of investments accounted for under the equity method	(2,133,590)	(77,575)
Proceeds on sale of investments accounted for under the equity method	1,153,359	262,262
Net cash outflow on acquisition of subsidiaries	-	(1,898,009)
Net cash inflow on disposal of subsidiaries	1,700,150	393,543
Acquisition of property, plant and equipment	(4,053,477)	(6,350,114)
Proceeds from disposal of property, plant and equipment	580,981	1,188,456
Decrease in refundable deposits	5,481	390
Acquisition of intangible assets	(514)	(902,909)
Acquisition of investment properties	(360)	(43,355)
Proceeds from disposal of investment properties	-	1,431,818
Acquisition of prepayments for lease	(118,250)	-
Proceeds from disposal of prepayments for lease	36,204	-
Interest received	266,123	296,078
Dividend received	1,421,691	924,049
Cash dividends from reduction of capital surplus from investments accounted for by the equity method	<u>106,601</u>	<u>486,007</u>
Net cash used in investing activities	<u>(755,197)</u>	<u>(4,768,215)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	4,481,744	-
Decrease in short-term loans	-	(1,613,784)
Decrease in short-term bills payable	(37,000)	(464,630)
Increase in long-term debt	-	2,185,007
Repayments of long-term borrowings	(4,140,535)	-
Cash dividends	(4,401,307)	(3,798,600)
Increase in guarantee deposits received	13,199	4,760
Execution of employee stock warrants	19,236	195,180
Change in non-controlling interests	<u>(1,299,151)</u>	<u>(5,387,518)</u>
Net cash used in financing activities	<u>(5,363,814)</u>	<u>(8,879,585)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(1,123,012)</u>	<u>2,076,672</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,944,417	(2,417,196)

(Continued)

POU CHEN CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS****(In Thousands of New Taiwan Dollars)****(Reviewed, Not Audited)**

	Nine Months Ended September 30	
	2013	2012
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>28,854,625</u>	<u>25,185,059</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 31,799,042</u>	<u>\$ 22,767,863</u>
Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets at September 30, 2013 and 2012:		
Cash and cash equivalents in consolidated balance sheets	\$ 31,718,523	\$ 22,767,863
Cash and cash equivalents included in a disposal group held for sale	<u>80,519</u>	<u>-</u>
Cash and cash equivalents in consolidated statements of cash flow	<u>\$ 31,799,042</u>	<u>\$ 22,767,863</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated November 13, 2013)

(Concluded)