

# POU CHEN CORPORATION AND SUBSIDIARIES

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

ASSETS	June 30, 2013		December 31, 2012		June 30, 2012		January 1, 2012	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>								
Cash and cash equivalents (Notes 4 and 6)	\$ 25,379,149	11	\$ 28,854,625	12	\$ 32,822,258	13	\$ 25,185,059	11
Financial assets at fair value through profit or loss, current (Notes 4 and 7)	572,170	-	618,282	-	1,391,209	-	714,547	-
Available-for-sale financial assets, current (Notes 4 and 8)	12,254,780	5	12,119,802	5	11,593,460	5	10,745,285	4
Financial assets measured at cost, current (Notes 4 and 10)	4,980	-	-	-	-	-	28,399	-
Debt investments with no active market, current (Notes 4, 11 and 40)	498,445	-	517,641	-	175,642	-	156,471	-
Notes receivable (Notes 4 and 12)	80,823	-	80,167	-	57,966	-	57,726	-
Notes receivable from affiliates (Notes 4, 12 and 39)	129	-	302	-	206	-	43,887	-
Accounts receivable (Notes 4 and 12)	30,486,436	13	28,007,419	11	21,892,575	9	23,140,654	10
Accounts receivable from affiliates (Notes 4, 12 and 39)	276,361	-	192,880	-	636,951	-	704,875	-
Other receivables (Notes 4 and 12)	2,927,691	1	3,756,199	2	4,814,432	2	3,882,001	2
Inventories (Notes 4 and 14)	40,085,724	17	38,402,091	16	39,865,172	16	36,066,777	15
Prepayments for lease (Notes 4 and 21)	163,140	-	157,629	-	161,950	-	163,576	-
Noncurrent assets held for sale (Notes 4 and 15)	677,070	-	48,613	-	-	-	3,170,549	1
Other assets, current (Notes 4 and 22)	10,094,307	4	7,108,432	3	7,092,892	3	7,100,212	3
Total current assets	<u>123,501,205</u>	<u>51</u>	<u>119,864,082</u>	<u>49</u>	<u>120,504,713</u>	<u>48</u>	<u>111,160,018</u>	<u>46</u>
<b>NONCURRENT ASSETS</b>								
Financial assets at fair value through profit or loss, noncurrent (Notes 4 and 7)	287,579	-	27,177	-	174,319	-	677,040	-
Available-for-sale financial assets, noncurrent (Notes 4 and 8)	307,854	-	515,195	-	449,039	-	460,759	-
Financial assets measured at cost, noncurrent (Notes 4 and 10)	1,028,798	-	850,089	-	996,703	-	822,120	-
Debt investment with no active market, noncurrent (Notes 4, 11 and 40)	25,430	-	25,864	-	402,126	-	405,726	-
Investments accounted for under the equity method (Notes 4 and 16)	34,830,764	14	39,839,473	16	41,412,748	17	40,813,138	17
Property, plant and equipment (Notes 4, 17 and 40)	61,413,092	25	61,375,481	25	63,783,806	25	63,229,353	27
Investment properties (Notes 4, 18 and 40)	2,188,857	1	1,481,943	1	852,961	-	2,201,802	1
Goodwill (Notes 4 and 19)	8,666,550	4	8,380,759	3	8,888,797	4	7,831,554	3
Other intangible assets (Notes 4 and 20)	3,959,622	2	3,894,643	2	4,403,788	2	3,389,071	2
Deferred tax assets (Note 4)	397,611	-	274,405	-	274,934	-	221,342	-
Prepayments for investment	-	-	-	-	58,654	-	131,575	-
Long-term prepayments for lease (Notes 4, 21 and 40)	5,241,673	2	5,987,930	3	6,416,271	3	6,491,856	3
Other assets, noncurrent (Notes 4 and 22)	1,201,630	1	1,195,282	1	1,461,402	1	1,620,222	1
Total noncurrent assets	<u>119,549,460</u>	<u>49</u>	<u>123,848,241</u>	<u>51</u>	<u>129,575,548</u>	<u>52</u>	<u>128,295,558</u>	<u>54</u>
<b>TOTAL</b>	<u>\$ 243,050,665</u>	<u>100</u>	<u>\$ 243,712,323</u>	<u>100</u>	<u>\$ 250,080,261</u>	<u>100</u>	<u>\$ 239,455,576</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>								
<b>CURRENT LIABILITIES</b>								
Short-term borrowings (Note 23)	\$ 15,513,470	6	\$ 15,662,647	6	\$ 20,696,070	8	\$ 18,972,990	8
Short-term bills payable (Note 23)	2,334,362	1	2,465,191	1	2,156,371	1	2,818,143	1
Financial liabilities at fair value through profit or loss, current (Notes 4 and 7)	336,953	-	41,552	-	54,121	-	448,579	-
Derivative financial liabilities for hedging, current (Notes 4 and 9)	-	-	5,430	-	16,840	-	22,901	-
Notes payables (Notes 4 and 24)	37,547	-	30,899	-	52,152	-	90,598	-
Notes payables from affiliates (Notes 4, 24 and 39)	40,974	-	38,182	-	45,344	-	25,843	-
Accounts payables (Notes 4 and 24)	11,073,567	5	10,624,947	4	12,412,206	5	14,327,808	6
Accounts payables from affiliates (Notes 4, 24 and 39)	1,562,399	1	1,557,421	1	1,661,704	1	1,923,445	1
Amounts due to customers for construction contracts (Notes 4 and 13)	-	-	-	-	-	-	59,260	-
Other payables (Note 25)	22,046,889	9	19,644,224	8	21,269,075	9	15,275,506	6
Current tax liabilities (Note 4)	973,366	-	1,196,063	1	651,668	-	1,054,772	1
Liabilities directly associated with noncurrent assets held for sale (Notes 4 and 15)	-	-	-	-	-	-	1,167,101	1
Current portion of long-term borrowings (Note 23)	1,192,487	1	15,978,798	7	15,674,836	6	3,354,105	1
Other liabilities, current	5,121,491	2	3,284,624	1	2,382,967	1	2,496,967	1
Total current liabilities	<u>60,233,505</u>	<u>25</u>	<u>70,529,978</u>	<u>29</u>	<u>77,073,354</u>	<u>31</u>	<u>62,038,018</u>	<u>26</u>
<b>NONCURRENT LIABILITIES</b>								
Derivative financial liabilities for hedging, noncurrent (Notes 4 and 9)	-	-	-	-	-	-	11,450	-
Long-term borrowings (Note 23)	47,236,350	19	36,753,761	15	40,543,003	16	48,905,284	20
Deferred tax liabilities (Note 4)	2,371,809	1	1,992,127	1	2,033,062	1	1,589,797	1
Long-term other payables (Note 25)	696,542	-	581,991	-	599,781	-	49,103	-
Accrued pension liabilities (Note 4)	1,291,341	1	1,286,665	1	1,094,274	1	1,090,159	-
Other liabilities, noncurrent	36,236	-	22,929	-	24,414	-	18,297	-
Total noncurrent liabilities	<u>51,632,278</u>	<u>21</u>	<u>40,637,473</u>	<u>17</u>	<u>44,294,534</u>	<u>18</u>	<u>51,664,090</u>	<u>21</u>
Total liabilities	<u>111,865,783</u>	<u>46</u>	<u>111,167,451</u>	<u>46</u>	<u>121,367,888</u>	<u>49</u>	<u>113,702,108</u>	<u>47</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 27)</b>								
Capital stock								
Capital stock	29,441,372	12	29,431,849	12	29,416,659	12	29,241,469	12
Capital collected in advance	-	-	-	-	3,340	-	-	-
Capital surplus	4,361,694	2	4,298,105	2	3,873,777	2	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	17,488,670	7	20,234,617	8	15,783,859	6	14,529,965	6
Other equity	(7,149,916)	(3)	(2,025,774)	(1)	(1,363,322)	(1)	(940,846)	-
Treasury stock	(188,728)	-	(188,728)	-	(194,789)	-	(194,789)	-
Total equity attributable to owners of the Company	<u>56,724,735</u>	<u>23</u>	<u>62,199,363</u>	<u>25</u>	<u>57,968,818</u>	<u>23</u>	<u>56,495,743</u>	<u>24</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>74,460,147</u>	<u>31</u>	<u>70,345,509</u>	<u>29</u>	<u>70,743,555</u>	<u>28</u>	<u>69,257,725</u>	<u>29</u>
Total equity	<u>131,184,882</u>	<u>54</u>	<u>132,544,872</u>	<u>54</u>	<u>128,712,373</u>	<u>51</u>	<u>125,753,468</u>	<u>53</u>
<b>TOTAL</b>	<u>\$ 243,050,665</u>	<u>100</u>	<u>\$ 243,712,323</u>	<u>100</u>	<u>\$ 250,080,261</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 August 14, 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 June 30				Six Months Ended June 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
GROSS SALES AND REVENUES EARNED (Notes 4, 28 and 39)	\$ 59,864,915	100	\$ 53,173,436	100	\$ 110,648,144	100	\$ 110,405,036	100
COST OF GOODS SOLD (Notes 26, 29 and 39)	<u>46,653,904</u>	<u>78</u>	<u>40,095,802</u>	<u>76</u>	<u>86,671,602</u>	<u>78</u>	<u>83,284,227</u>	<u>75</u>
GROSS PROFIT	<u>13,211,011</u>	<u>22</u>	<u>13,077,634</u>	<u>24</u>	<u>23,976,542</u>	<u>22</u>	<u>27,120,809</u>	<u>25</u>
OPERATING EXPENSES (Notes 26 and 29)								
Selling expenses	4,601,030	8	4,503,913	8	8,965,944	8	9,147,310	8
General and administrative expenses	3,775,667	6	3,297,522	6	7,427,972	7	7,413,955	7
Research and development expenses	<u>1,524,434</u>	<u>3</u>	<u>1,369,245</u>	<u>3</u>	<u>3,037,117</u>	<u>3</u>	<u>2,933,053</u>	<u>3</u>
Total operating expenses	<u>9,901,131</u>	<u>17</u>	<u>9,170,680</u>	<u>17</u>	<u>19,431,033</u>	<u>18</u>	<u>19,494,318</u>	<u>18</u>
INCOME FROM OPERATIONS	<u>3,309,880</u>	<u>5</u>	<u>3,906,954</u>	<u>7</u>	<u>4,545,509</u>	<u>4</u>	<u>7,626,491</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES								
Other income (Note 29)	555,595	1	262,028	1	1,139,908	1	581,208	1
Other gains and losses (Note 29)	425,144	1	(103,211)	-	557,348	1	480,603	1
Finance costs (Note 29)	(320,294)	-	(387,588)	(1)	(673,679)	(1)	(803,305)	(1)
Investment income in associates and joint ventures recognized under the equity method	<u>1,472,051</u>	<u>2</u>	<u>1,583,016</u>	<u>3</u>	<u>2,112,944</u>	<u>2</u>	<u>2,503,766</u>	<u>2</u>
Total non-operating income and expenses	<u>2,132,496</u>	<u>4</u>	<u>1,354,245</u>	<u>3</u>	<u>3,136,521</u>	<u>3</u>	<u>2,762,272</u>	<u>3</u>
INCOME BEFORE INCOME TAX	5,442,376	9	5,261,199	10	7,682,030	7	10,388,763	10
INCOME TAX EXPENSE (Notes 4 and 30)	<u>(725,650)</u>	<u>(1)</u>	<u>(454,742)</u>	<u>(1)</u>	<u>(916,091)</u>	<u>(1)</u>	<u>(688,663)</u>	<u>(1)</u>
NET INCOME	<u>4,716,726</u>	<u>8</u>	<u>4,806,457</u>	<u>9</u>	<u>6,765,939</u>	<u>6</u>	<u>9,700,100</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME, NET								
Exchange differences on translating foreign operations	857,510	1	896,063	2	2,380,119	2	(446,063)	(1)
Unrealized gain on available-for-sale financial assets	(226,328)	-	160,131	-	29,316	-	265,091	-
Cash flow hedges	2,642	-	8,201	-	5,430	-	17,511	-
Other comprehensive income in associates and joint ventures recognized under the equity method	<u>(4,800,263)</u>	<u>(8)</u>	<u>(917,942)</u>	<u>(2)</u>	<u>(7,247,630)</u>	<u>(6)</u>	<u>(238,026)</u>	<u>-</u>
Other comprehensive income, net	<u>(4,166,439)</u>	<u>(7)</u>	<u>146,453</u>	<u>-</u>	<u>(4,832,765)</u>	<u>(4)</u>	<u>(401,487)</u>	<u>(1)</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 June 30				Six Months Ended June 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME	\$ 550,287	1	\$ 4,952,910	9	\$ 1,933,174	2	\$ 9,298,613	8
NET INCOME								
ATTRIBUTABLE TO:								
Owner of the Company	\$ 2,670,653	5	\$ 3,096,032	6	\$ 3,992,607	4	\$ 5,503,315	5
Non-controlling interests	<u>2,046,073</u>	<u>3</u>	<u>1,710,425</u>	<u>3</u>	<u>2,773,332</u>	<u>2</u>	<u>4,196,785</u>	<u>4</u>
	<u>\$ 4,716,726</u>	<u>8</u>	<u>\$ 4,806,457</u>	<u>9</u>	<u>\$ 6,765,939</u>	<u>6</u>	<u>\$ 9,700,100</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Owner of the Company	\$ (1,802,014)	(3)	\$ 3,091,899	6	\$ (1,131,535)	(1)	\$ 5,080,839	4
Non-controlling interests	<u>2,352,301</u>	<u>4</u>	<u>1,861,011</u>	<u>3</u>	<u>3,064,709</u>	<u>3</u>	<u>4,217,774</u>	<u>4</u>
	<u>\$ 550,287</u>	<u>1</u>	<u>\$ 4,952,910</u>	<u>9</u>	<u>\$ 1,933,174</u>	<u>2</u>	<u>\$ 9,298,613</u>	<u>8</u>
EARNINGS PER SHARE								
(Note 31)								
Basic	<u>\$0.91</u>		<u>\$1.06</u>		<u>\$1.36</u>		<u>\$1.88</u>	
Diluted	<u>\$0.89</u>		<u>\$1.04</u>		<u>\$1.33</u>		<u>\$1.86</u>	

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

(With Deloitte & Touche review report dated August 14, 2013)

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**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												
	Capital Stock	Capital Collected in Advance	Capital Surplus	Retained Earnings			Other Equity			Total	Non-controlling Interests	Total Equity	
				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													
Legal reserve	-	-	-	580,672	-	(580,672)	-	-	-	-	-	-	-
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 six months ended June 30, 2012	-	-	-	-	-	5,503,315	-	-	-	-	5,503,315	4,196,785	9,700,100
Other comprehensive income (loss) for the six months ended June 30, 2012	-	-	-	-	-	-	(407,500)	(32,487)	17,511	-	(422,476)	20,989	(401,487)
Total other comprehensive income (loss) for the six months ended June 30, 2012	-	-	-	-	-	5,503,315	(407,500)	(32,487)	17,511	-	5,080,839	4,217,774	9,298,613
Execution of employee stock warrants (Note 32)	175,190	3,340	4,800	-	-	-	-	-	-	-	183,330	-	183,330
Change in capital surplus from acquisition or disposal of interests in subsidiaries (Note 4)	-	-	33,072	-	-	-	-	-	-	-	33,072	-	33,072
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(2,731,944)	(2,731,944)
Change in equity for the six months ended June 30, 2012	175,190	3,340	37,872	580,672	(155,417)	1,253,894	(407,500)	(32,487)	17,511	-	1,473,075	1,485,830	2,958,905
BALANCE AT JUNE 30, 2012	\$ 29,416,659	\$ 3,340	\$ 3,873,777	\$ 7,320,919	\$ 3,128,375	\$ 15,783,859	\$ (407,500)	\$ (938,982)	\$ (16,840)	\$ (194,789)	\$ 57,968,818	\$ 70,743,555	\$ 128,712,373
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													
Legal reserve	-	-	-	1,015,634	-	(1,015,634)	-	-	-	-	-	-	-
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 six months ended June 30, 2013	-	-	-	-	-	3,992,607	-	-	-	-	3,992,607	2,773,332	6,765,939
Other comprehensive income (loss) for the six months ended June 30, 2013	-	-	-	-	-	-	2,108,684	(7,238,256)	5,430	-	(5,124,142)	291,377	(4,832,765)
Total other comprehensive income (loss) for the six months ended June 30, 2013	-	-	-	-	-	3,992,607	2,108,684	(7,238,256)	5,430	-	(1,131,535)	3,064,709	1,933,174
Execution of employee stock warrants (Note 32)	9,523	-	9,713	-	-	-	-	-	-	-	19,236	-	19,236
Change in capital surplus from acquisition or disposal of interests in subsidiaries (Note 4)	-	-	53,876	-	-	-	-	-	-	-	53,876	-	53,876
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	1,049,929	1,049,929
Change in equity for the six months ended June 30, 2013	9,523	-	63,589	1,015,634	1,306,715	(2,745,947)	2,108,684	(7,238,256)	5,430	-	(5,474,628)	4,114,638	(1,359,990)
BALANCE AT JUNE 30, 2013	\$ 29,441,372	\$ -	\$ 4,361,694	\$ 8,336,553	\$ 4,435,090	\$ 17,488,670	\$ 265,065	\$ (7,414,981)	\$ -	\$ (188,728)	\$ 56,724,735	\$ 74,460,147	\$ 131,184,882

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

(With Deloitte & Touche review report dated August 14, 2013)

# POU CHEN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<b>Six Months Ended June 30</b>	
	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 7,682,030	\$ 10,388,763
Adjustments for:		
Depreciation expenses	3,778,564	3,813,430
Amortization expenses	209,707	214,214
Gain on disposal of available-for-sale financial assets	(25,461)	(67)
Gain on fair value change of financial instruments at fair value through profit or loss, net	(2,963)	(34,777)
Finance costs	673,679	803,305
Interest income	(160,157)	(195,231)
Dividend income	(4,761)	(7,656)
Compensation (income) cost of employee share options	(180)	40,962
Investment income in associates and joint ventures recognized under the equity method	(2,112,944)	(2,503,766)
Loss (gain) on disposal of property, plant and equipment, net	70,772	(450,370)
Gain on disposal of subsidiaries, associates and joint ventures	(79,973)	(302,825)
(Reversal of impairment loss) impairment loss	(20,815)	559,493
Changes in operating assets and liabilities		
Decrease (increase) in financial instruments at fair value through profit or loss	84,074	(603,763)
(Increase) decrease in notes receivable	(483)	43,441
(Increase) decrease in accounts receivable	(2,562,498)	1,316,003
Decrease (increase) in other receivable	812,476	(926,871)
Increase in inventories	(1,683,633)	(3,798,395)
(Increase) decrease in other current assets	(2,985,875)	7,320
(Increase) decrease in other operating assets	(3,836)	162,820
Increase (decrease) in notes payable	9,440	(18,945)
Increase (decrease) in accounts payable	453,598	(2,177,343)
Decrease in amounts due to customers for construction contracts	-	(59,260)
(Decrease) increase in other payable	(1,941,121)	3,700,279
Increase (decrease) in other current liabilities	1,836,867	(114,000)
Increase in accrued pension liabilities	4,676	4,115
Increase in other operating liabilities	<u>114,551</u>	<u>550,678</u>
Cash generated from operations	4,145,734	10,411,554
Interest paid	(679,497)	(751,422)
Income tax paid	<u>(899,326)</u>	<u>(928,670)</u>
Net cash generated from operating activities	<u>2,566,911</u>	<u>8,731,462</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of available-for-sale financial assets	-	(25,279)
Proceeds on sale of available-for-sale financial assets	150,418	-
Acquisition of debt investments with no active market	(29,000)	(15,571)

(Continued)

# POU CHEN CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<b>Six Months Ended June 30</b>	
	<b>2013</b>	<b>2012</b>
Proceeds on sale of debt investments with no active market	48,630	-
Acquisition of financial assets measured at cost	(183,689)	(219,593)
Acquisition of investments accounted for under the equity method	(133,590)	(76,644)
Proceeds on sale of investments accounted for under the equity method	993,060	129,678
Net cash outflow on acquisition of subsidiaries	-	(1,066,148)
Net cash inflow on disposal of subsidiaries	-	393,543
Acquisition of property, plant and equipment	(2,914,022)	(4,866,972)
Proceeds from disposal of property, plant and equipment	552,725	984,804
Increase in refundable deposits	(2,512)	(4,000)
Acquisition of intangible assets	(222)	(961,715)
Acquisition of investment properties	(76)	(43,355)
Proceeds from disposal of investment properties	-	1,431,818
Proceeds from disposal of prepayments for lease	690	-
Interest received	176,189	189,271
Dividend received	341,264	263,526
	<u>(1,000,135)</u>	<u>(3,886,637)</u>
Net cash used in investing activities		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	-	1,723,080
Decrease in short-term loans	(149,177)	-
Decrease in short-term bills payable	(130,829)	(661,772)
Increase in long-term debt	-	3,958,450
Repayments of long-term borrowings	(4,303,722)	-
Increase in guarantee deposits received	13,308	6,117
Execution of employee stock warrants	19,236	183,330
Change in non-controlling interests	1,049,929	(2,731,944)
	<u>(3,501,255)</u>	<u>2,477,261</u>
Net cash (used in) generated from financing activities		
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>(1,540,997)</u>	<u>315,113</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(3,475,476)</u>	<u>7,637,199</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>28,854,625</u>	<u>25,185,059</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 25,379,149</u>	<u>\$ 32,822,258</u>

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

(With Deloitte & Touche review report dated August 14, 2013)

(Concluded)