



## 2001 STATEMENT OF CASH FLOWS-CONTINUED (CONDENSED)

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

2001

## CASH FLOWS FROM INVESTING ACTIVITIES:

Net income	\$2,698,574
"Adjustments to reconcile net income to net cash provided by (used in) operating activities"	
Provision (reversal of provision) for decline- short - term investments	( 41,007)
Provision (reversal of provision) for decline- trading securities	( 1,184,133)
Provision for bad debts	223,407
"(Gain) loss on long-term equity investments accounted for under the equity method"	227,203
Cash dividend from long-term investment	65,645
Gain on disposal of short-term-investments	-
Loss on disposal of long-term investments	3,077
Loss on disposal of fixed assets	202,466
Depreciation (including assets for lease and idle assets)	371,169
Amortization	1,638
Provision for trading loss reserve	23,587
Interest-premium liability	342,607
Changes in assets and liabilities:	
Short-term investments	( 10,065,142)
Bonds purchased under resale agreements	( 1,965,825)
Trading securities – dealing	64,457
Trading securities – underwriting	517,791
Trading securities-hedging	( 1,608,895)
Margin loans receivable	616,885
Receivable on refinance guarantee	( 7,098)
Speculation guarantee deposits receivable	31,396
Notes and accounts receivable	525,716
Prepayments	113,774
Other receivables	( 176,957)
Deferred loss on warrants	( 116,894)
Other current assets	( 65,792)
Deferred income tax	179,078
Other assets	( 147,000)
Bonds sold under repurchase agreements	661,436
Warrants	751,682
Deposits on short sales	368,348
Short sales proceeds payable	1,189,949
Notes and accounts payables	( 53,591)

Advance receipts	( 16,478)
Collections for third parties	201,936
Other payables	( 220,531)
Other liabilities – other	2,226
Other liabilities - other	-
Net cash provided by (used in) operating activities	( 6,285,296)

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Decrease in pledged time deposits and negotiable certificates of deposit	\$4,169,531
Purchases of long-term investments	( 490,487)
Proceeds from disposal of long-term investment	118,071
Receipt of cash from liquidated long-term investment	-
Proceeds from disposal of fixed assets	20,104
Purchases of fixed assets	( 184,488)
Decrease in operating guarantee deposits	200,000
Decrease in exchange clearing deposits	31,242
Increase in deposits-out	( 22,470)
Net cash (used in) provided by investing activities	3,841,503

**CASH FLOWS FROM FINANCING ACTIVITIES:**

(Decrease) Increase in short-term loans,net	761,161
Decrease in commercial paper payable	( 1,725,154)
Convertible bonds	-
Increase in deposits-in	2,340
Proceeds from treasury stock transferred to employees	-
Remunerations to directors and supervisors	( 22,387)
Cash dividends paid	-
Bonus to employees paid	-
Purchase of treasury stock	( 2,575,259)
Cash from consolidation	-
Net cash used in financing activities	( 3,559,299)
Net decrease in cash	( 6,003,092)
Cash and cash equivalents-beginning balance	13,849,644
Cash and cash equivalents-ending balance	\$7,846,552

**Supplemental disclosure of cash flow information:**

Cash paid for interest	\$1,176,788
Cash paid for income tax	\$1,346,971