

Independent Auditors' Report

To the Board of Directors
Compal Electronics, Inc.:

We have reviewed the accompanying consolidated balance sheets of Compal Electronics, Inc. and subsidiaries as of June 30, 2013, and December 31, June 30 and January 1, 2012, the consolidated statements of comprehensive income for the three months and six months ended June 30, 2013 and 2012, and changes in stockholders' equity and cash flows for the six months ended June 30, 2013 and 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our review.

Except as described in the following two paragraphs, we conducted our review in accordance with the guidelines of ROC Statement on Auditing Standards No. 36, "Engagements to Review Financial Statements". Those guidelines require that we plan and perform the review, consisting principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China and with the objective of expressing an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

Also included in the accompanying consolidated financial statements are the financial statements of certain consolidated subsidiaries, which were not reviewed by independent auditors. These consolidated subsidiaries reflect total assets amounting to \$24,250,773,000 and \$24,949,248,000, constituting 7.8% and 8.7% of consolidated totals, as of June 30, 2013 and 2012, respectively. The total liabilities of these subsidiaries amounting to \$9,409,985,000 and \$9,095,167,000, constituting 4.8% and 5.1% of the consolidated totals, as of June 30, 2013 and 2012, respectively. The comprehensive income (loss) of these subsidiaries amounting to \$1,511,000, \$(7,755,000), \$305,697,000 and \$534,808,000, constituting 0.1%, (0.4)%, 6.0%, and 13.4% of the consolidated totals, for the three months and six months ended June 30, 2013 and 2012, respectively.

As stated in note 6(h) to the consolidated statements, the investments accounted for using equity method amounting to \$5,846,745,000 and \$3,182,190,000 as of June 30, 2013 and 2012, and the related share of other comprehensive loss of associates and joint ventures accounted for using equity method amounting to \$(158,061,000), \$29,923,000, \$(234,972,000) and \$(11,979,000) recognized for the three months and six months ended June 30, 2013 and 2012, respectively, were based on the investees' financial statements without review procedures conducted by independent auditors.

Based on our review, we are not aware of any modifications that should be made, in any material respects, except for the effects of the adjustments, if any, that might have emerged had the financial statements of the said consolidated subsidiaries and the investees accounted for using equity method been reviewed by independent auditors, to the accompanying consolidated financial statements described in the first paragraph for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, and the guidelines of International Financial Reporting Standards No. 1, “First-time Adoption of International Financial Reporting Standards” and International Accounting Standards No. 34, “Interim Financial Reporting” which are endorsed by the Financial Supervisory Commission.

August 12, 2013

The accompanying financial statements are intended only to present the financial position, results of operations, and cash flows in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations endorsed by the Financial Supervisory Commissions in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such financial statements are those generally accepted and applied in the Republic of China.

The auditors’ report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language versions of the auditors’ report and financial statements, the Chinese version shall prevail.

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets (Unaudited)

June 30, 2013, and December 31, June 30 and January 1, 2012
(expressed in thousands of New Taiwan dollars)

Assets	June 30, 2013		December 31, 2012		June 30, 2012		January 1, 2012		Liabilities and equity	June 30, 2013		December 31, 2012		June 30, 2012		January 1, 2012	
	Amount	%	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	Amount	%
Current assets:									Current liabilities:								
Cash and cash equivalents	\$ 52,433,062	16.8	44,154,582	14.2	43,333,595	15.0	52,348,302	18.6	Short-term borrowings	\$ 41,420,460	13.3	36,533,793	11.7	11,271,146	3.9	14,907,377	5.3
Current financial assets at fair value through profit or loss	23,382	-	81,386	-	118,169	-	185,549	-	Current financial liabilities at fair value through profit or loss	18,277	-	39,963	-	10,958	-	3,569	-
Current available-for-sale financial assets	86,054	-	109,792	-	130,466	0.1	97,092	-	Notes and accounts payable	125,447,441	40.2	136,095,500	43.6	136,041,012	47.3	130,494,478	46.4
Notes and accounts receivable, net	158,823,720	51.0	159,541,841	51.2	146,282,198	50.8	135,893,459	48.3	Notes and accounts payable to related parties	2,109,065	0.7	2,958,167	0.9	2,062,447	0.7	2,277,611	0.8
Notes and accounts receivable due from related parties, net	90,613	-	1,285,357	0.4	77,201	-	19,443	-	Other payables	16,262,422	5.2	14,671,192	4.7	13,559,384	4.7	12,715,563	4.6
Other receivables	661,001	0.2	772,840	0.2	851,918	0.3	474,562	0.2	Dividends payable	4,798,425	1.5	791	-	6,239,896	2.2	715	-
Inventories, net	44,737,793	14.3	51,707,468	16.6	50,080,385	17.4	46,912,683	16.7	Current tax liabilities	977,683	0.3	1,064,261	0.3	1,012,797	0.3	1,192,942	0.4
Other current assets	1,683,066	0.6	1,480,342	0.5	1,406,330	0.5	1,428,395	0.5	Current provisions	1,729,283	0.6	1,891,571	0.7	1,891,414	0.7	2,061,168	0.7
	<u>258,538,691</u>	<u>82.9</u>	<u>259,133,608</u>	<u>83.1</u>	<u>242,280,262</u>	<u>84.1</u>	<u>237,359,485</u>	<u>84.3</u>	Unearned revenue	1,785,194	0.6	1,697,512	0.6	2,584,817	0.9	3,084,542	1.1
Non-current assets:									Long-term liabilities, current portion	80,000	-	47,383	-	50,000	-	82,000	-
Investments accounted for using equity method	11,788,538	3.8	11,313,895	3.6	9,464,485	3.3	8,503,244	3.0	Non-current liabilities:								
Non-current available-for-sale financial assets	8,356,388	2.7	8,170,610	2.6	7,432,569	2.6	6,773,364	2.4	Long-term borrowings	1,301,261	0.4	550,604	0.2	495,000	0.1	25,000	-
Non-current financial assets at cost	7,006,588	2.3	7,015,000	2.2	7,015,000	2.4	7,017,492	2.5	Deferred tax liabilities	604,842	0.2	683,049	0.2	607,354	0.2	390,103	0.1
Non-current bond investment without active market	1,745,000	0.6	1,745,000	0.6	1,733,626	0.6	1,680,835	0.6	Accrued pension liabilities	673,136	0.2	693,155	0.2	535,790	0.2	553,467	0.2
Property, plant and equipment	20,817,167	6.7	20,772,790	6.7	15,490,231	5.4	15,406,493	5.5	Deferred credits and others	367,109	0.1	195,494	0.1	218,753	0.1	194,163	0.1
Intangible assets	1,396,299	0.4	1,535,171	0.5	1,448,400	0.5	1,532,829	0.6		2,946,348	0.9	2,122,302	0.7	1,856,897	0.6	1,162,733	0.4
Deferred tax assets	957,369	0.3	1,094,333	0.4	1,034,242	0.4	1,231,324	0.4	Total liabilities	<u>197,574,598</u>	<u>63.3</u>	<u>197,122,435</u>	<u>63.2</u>	<u>176,580,768</u>	<u>61.3</u>	<u>167,982,698</u>	<u>59.7</u>
Other non-current financial assets	68,329	-	65,886	-	128,084	-	118,586	-	Equity attributable to owners of parent:								
Long-term prepaid rents	719,107	0.2	703,079	0.2	745,551	0.3	761,327	0.3	Ordinary shares	44,126,526	14.2	44,126,526	14.1	44,112,169	15.3	44,002,554	15.6
Other non-current assets	373,528	0.1	366,333	0.1	1,284,742	0.4	1,038,754	0.4	Capital surplus	16,229,757	5.2	16,122,810	5.2	16,106,158	5.6	15,889,855	5.7
	<u>53,228,313</u>	<u>17.1</u>	<u>52,782,097</u>	<u>16.9</u>	<u>45,776,930</u>	<u>15.9</u>	<u>44,064,248</u>	<u>15.7</u>	Retained earnings	53,415,690	17.1	55,053,941	17.7	52,313,099	18.2	54,964,759	19.5
Total assets	\$ <u>311,767,004</u>	<u>100.0</u>	<u>311,915,705</u>	<u>100.0</u>	<u>288,057,192</u>	<u>100.00</u>	<u>281,423,733</u>	<u>100.0</u>	Other equity interest	(6,176,069)	(2.0)	(8,382,397)	(2.7)	(8,593,895)	(3.0)	(8,520,843)	(3.0)
									Treasury shares	(2,007,725)	(0.6)	(881,247)	(0.3)	(881,247)	(0.3)	(881,247)	(0.3)
										<u>105,588,179</u>	<u>33.9</u>	<u>106,039,633</u>	<u>34.0</u>	<u>103,056,284</u>	<u>35.8</u>	<u>105,455,078</u>	<u>37.5</u>
									Non-controlling interests	8,604,227	2.8	8,753,637	2.8	8,420,140	2.9	7,985,957	2.8
									Total equity	<u>114,192,406</u>	<u>36.7</u>	<u>114,793,270</u>	<u>36.8</u>	<u>111,476,424</u>	<u>38.7</u>	<u>113,441,035</u>	<u>40.3</u>
									Total liabilities and equity	\$ <u>311,767,004</u>	<u>100.0</u>	<u>311,915,705</u>	<u>100.0</u>	<u>288,057,192</u>	<u>100.0</u>	<u>281,423,733</u>	<u>100.0</u>

See accompanying notes to financial statements.

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated statements of comprehensive income (Unaudited)

For the three months and six months ended June 30, 2013 and 2012
(expressed in thousands of New Taiwan dollars, except net income per share amounts)

	Three months ended June 30, 2013		Three months ended June 30, 2012		Six months ended June 30, 2013		Six months ended June 30, 2012	
	Amount	%	Amount	%	Amount	%	Amount	%
Net sales revenue	\$ 166,879,022	100.0	164,900,641	100.0	334,434,927	100.0	326,655,493	100.0
Cost of sales	<u>159,998,450</u>	<u>95.9</u>	<u>157,560,930</u>	<u>95.5</u>	<u>320,971,322</u>	<u>96.0</u>	<u>312,225,857</u>	<u>95.6</u>
Gross profit	<u>6,880,572</u>	<u>4.1</u>	<u>7,339,711</u>	<u>4.5</u>	<u>13,463,605</u>	<u>4.0</u>	<u>14,429,636</u>	<u>4.4</u>
Operating expenses:								
Selling expenses	789,674	0.5	925,569	0.6	1,552,961	0.5	1,616,380	0.5
Administrative expenses	1,106,630	0.6	974,561	0.6	2,108,830	0.6	1,982,170	0.6
Research and development expenses	<u>2,699,836</u>	<u>1.6</u>	<u>2,711,502</u>	<u>1.6</u>	<u>5,431,500</u>	<u>1.6</u>	<u>5,347,522</u>	<u>1.6</u>
	<u>4,596,140</u>	<u>2.7</u>	<u>4,611,632</u>	<u>2.8</u>	<u>9,093,291</u>	<u>2.7</u>	<u>8,946,072</u>	<u>2.7</u>
Net operating income	<u>2,284,432</u>	<u>1.4</u>	<u>2,728,079</u>	<u>1.7</u>	<u>4,370,314</u>	<u>1.3</u>	<u>5,483,564</u>	<u>1.7</u>
Non-operating income and expenses:								
Other gains and losses	(148,562)	(0.1)	(509,136)	(0.3)	(268,932)	(0.1)	(319,696)	(0.1)
Finance costs	(94,981)	(0.1)	(95,672)	(0.1)	(225,169)	(0.1)	(223,719)	(0.1)
Other income	539,276	0.3	592,463	0.4	896,506	0.3	1,226,397	0.4
Miscellaneous disbursements	(6,417)	-	5,208	-	(9,322)	-	(5,771)	-
Share of loss of associates and joint ventures accounted for using equity method	<u>(506,879)</u>	<u>(0.3)</u>	<u>(398,164)</u>	<u>(0.3)</u>	<u>(928,401)</u>	<u>(0.3)</u>	<u>(908,002)</u>	<u>(0.3)</u>
Total non-operating income and expenses	<u>(217,563)</u>	<u>(0.2)</u>	<u>(405,301)</u>	<u>(0.3)</u>	<u>(535,318)</u>	<u>(0.2)</u>	<u>(230,791)</u>	<u>(0.1)</u>
Profit before tax	2,066,869	1.2	2,322,778	1.4	3,834,996	1.1	5,252,773	1.6
Less: tax expense	<u>605,539</u>	<u>0.3</u>	<u>468,455</u>	<u>0.3</u>	<u>985,233</u>	<u>0.3</u>	<u>1,186,622</u>	<u>0.4</u>
Profit	<u>1,461,330</u>	<u>0.9</u>	<u>1,854,323</u>	<u>1.1</u>	<u>2,849,763</u>	<u>0.8</u>	<u>4,066,151</u>	<u>1.2</u>
Other comprehensive income:								
Other comprehensive income, before tax, exchange differences on translation	228,449	0.1	463,885	0.3	1,446,158	0.4	(464,714)	(0.1)
Other comprehensive income, before tax, available-for-sale financial assets	(392,871)	(0.2)	(347,664)	(0.2)	596,407	0.2	652,385	0.2
Share of other comprehensive income of associates and joint ventures accounted for using equity method	74,721	-	14,163	-	242,112	0.1	(61,100)	-
Less: income tax relating to components of other comprehensive income	<u>(34,316)</u>	<u>-</u>	<u>202,133</u>	<u>0.1</u>	<u>18,869</u>	<u>-</u>	<u>209,129</u>	<u>0.1</u>
Other comprehensive income, net	<u>(55,385)</u>	<u>(0.1)</u>	<u>(71,749)</u>	<u>-</u>	<u>2,265,808</u>	<u>0.7</u>	<u>(82,558)</u>	<u>-</u>
Comprehensive income	<u>\$ 1,405,945</u>	<u>0.8</u>	<u>1,782,574</u>	<u>1.1</u>	<u>5,115,571</u>	<u>1.5</u>	<u>3,983,593</u>	<u>1.2</u>
Profit, attributable to:								
Profit, attributable to owners of parent	\$ 1,394,084	0.9	1,630,513	1.0	2,750,427	0.8	3,531,970	1.1
Profit, attributable to non-controlling interests	<u>67,246</u>	<u>-</u>	<u>223,810</u>	<u>0.1</u>	<u>99,336</u>	<u>-</u>	<u>534,181</u>	<u>0.1</u>
	<u>\$ 1,461,330</u>	<u>0.9</u>	<u>1,854,323</u>	<u>1.1</u>	<u>2,849,763</u>	<u>0.8</u>	<u>4,066,151</u>	<u>1.2</u>
Comprehensive income attributable to:								
Comprehensive income, attributable to owners of parent	\$ 1,332,392	0.8	1,530,222	0.9	4,967,921	1.5	3,458,918	1.1
Comprehensive income, attributable to non- controlling interests	<u>73,553</u>	<u>-</u>	<u>252,352</u>	<u>0.2</u>	<u>147,650</u>	<u>-</u>	<u>524,675</u>	<u>0.1</u>
	<u>\$ 1,405,945</u>	<u>0.8</u>	<u>1,782,574</u>	<u>1.1</u>	<u>5,115,571</u>	<u>1.5</u>	<u>3,983,593</u>	<u>1.2</u>
Earnings per share:								
Basic net income per share	<u>\$ 0.32</u>		<u>0.37</u>		<u>0.63</u>		<u>0.81</u>	
Diluted net income per share	<u>\$ 0.32</u>		<u>0.37</u>		<u>0.62</u>		<u>0.80</u>	

See accompanying notes to financial statements.

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

**Consolidated statements of changes in equity (Unaudited)
For the six months ended June 30, 2013 and 2012
(expressed in thousands of New Taiwan dollars)**

	Equity attributable to owners of parent												
	Retained earnings					Other equity interest							
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on Available-for-sale financial assets	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2012	\$ 44,002,554	15,889,855	13,878,611	4,825,698	36,260,450	54,964,759	(1,234,125)	(7,286,718)	(8,520,843)	(881,247)	105,455,078	7,985,957	113,441,035
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	1,101,468	-	(1,101,468)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	3,887,320	(3,887,320)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(6,175,351)	(6,175,351)	-	-	-	-	(6,175,351)	-	(6,175,351)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(3,403)	(3,403)	-	-	-	-	(3,403)	-	(3,403)
Changes in equity of associates and joint ventures accounted for using equity method	-	4,876	-	-	(4,876)	(4,876)	-	-	-	-	-	-	-
Issuance of shares for employee share options exercised	109,615	141,403	-	-	-	-	-	-	-	-	251,018	-	251,018
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	70,024	-	-	-	-	-	-	-	-	70,024	-	70,024
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(90,492)	(90,492)
	<u>44,112,169</u>	<u>16,106,158</u>	<u>14,980,079</u>	<u>8,713,018</u>	<u>25,088,032</u>	<u>48,781,129</u>	<u>(1,234,125)</u>	<u>(7,286,718)</u>	<u>(8,520,843)</u>	<u>(881,247)</u>	<u>99,597,366</u>	<u>7,895,465</u>	<u>107,492,831</u>
Profit for the six months ended June 30, 2012	-	-	-	-	3,531,970	3,531,970	-	-	-	-	3,531,970	534,181	4,066,151
Other comprehensive income	-	-	-	-	-	-	(704,991)	631,939	(73,052)	-	(73,052)	(9,506)	(82,558)
Comprehensive income	-	-	-	-	3,531,970	3,531,970	(704,991)	631,939	(73,052)	-	3,458,918	524,675	3,983,593
Balance on June 30, 2012	\$ <u>44,112,169</u>	<u>16,106,158</u>	<u>14,980,079</u>	<u>8,713,018</u>	<u>28,620,002</u>	<u>52,313,099</u>	<u>(1,939,116)</u>	<u>(6,654,779)</u>	<u>(8,593,895)</u>	<u>(881,247)</u>	<u>103,056,284</u>	<u>8,420,140</u>	<u>111,476,424</u>
Balance on January 1, 2013	\$ 44,126,526	16,122,810	14,980,079	8,713,018	31,360,844	55,053,941	(3,134,265)	(5,248,132)	(8,382,397)	(881,247)	106,039,633	8,753,637	114,793,270
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	641,103	-	(641,103)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	105,707	(105,707)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(4,384,186)	(4,384,186)	-	-	-	-	(4,384,186)	-	(4,384,186)
Purchase of treasury share	-	-	-	-	-	-	-	-	-	(1,126,478)	(1,126,478)	-	(1,126,478)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	69,824	-	-	(733)	(733)	(11,070)	(96)	(11,166)	-	57,925	98,151	156,076
Changes in equity of associates and joint ventures accounted for using equity method	-	(12,895)	-	-	(3,759)	(3,759)	-	-	-	-	(16,654)	-	(16,654)
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	50,018	-	-	-	-	-	-	-	-	50,018	-	50,018
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(395,211)	(395,211)
	<u>44,126,526</u>	<u>16,229,757</u>	<u>15,621,182</u>	<u>8,818,725</u>	<u>26,225,356</u>	<u>50,665,263</u>	<u>(3,145,335)</u>	<u>(5,248,228)</u>	<u>(8,393,563)</u>	<u>(2,007,725)</u>	<u>100,620,258</u>	<u>8,456,577</u>	<u>109,076,835</u>
Profit for the six months ended June 30, 2013	-	-	-	-	2,750,427	2,750,427	-	-	-	-	2,750,427	99,336	2,849,763
Other comprehensive income	-	-	-	-	-	-	1,613,482	604,012	2,217,494	-	2,217,494	48,314	2,265,808
Comprehensive income	-	-	-	-	2,750,427	2,750,427	1,613,482	604,012	2,217,494	-	4,967,921	147,650	5,115,571
Balance on June 30, 2013	\$ <u>44,126,526</u>	<u>16,229,757</u>	<u>15,621,182</u>	<u>8,818,725</u>	<u>28,975,783</u>	<u>53,415,690</u>	<u>(1,531,853)</u>	<u>(4,644,216)</u>	<u>(6,176,069)</u>	<u>(2,007,725)</u>	<u>105,588,179</u>	<u>8,604,227</u>	<u>114,192,406</u>

See accompanying notes to financial statements.

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated statements of cash flows (Unaudited)

For the six months ended June 30, 2013 and 2012

(expressed in thousands of New Taiwan dollars)

	2013	2012
Cash flows from (used in) operating activities:		
Profit before tax	\$ 3,834,996	5,252,773
Adjustments:		
Depreciation and amortization	2,903,870	2,318,565
Increase (decrease) in allowances for uncollectible accounts and allowance for sales returns and discounts	(25,908)	117,555
Interest expense	225,169	223,719
Interest income	(277,625)	(471,289)
Compensation cost of employee share options	76,318	35,568
Share of loss (profit) of associates and joint ventures accounted for using equity method	928,401	908,002
Gain on disposal of property, plan and equipment	(72,568)	(65,849)
Gain on disposal of investments	(116,105)	(356)
Impairment loss on financial assets	8,412	2,492
Long-term prepaid rents	8,095	7,889
Adjustments to reconcile profit	<u>3,658,059</u>	<u>3,076,296</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Changes in financial assets and liabilities at fair value through profit or loss	58,004	67,380
Decrease (increase) in notes and accounts receivable	1,938,773	(10,564,052)
Decrease (increase) in other receivable	174,857	(456,068)
Decrease (increase) in inventories	6,969,675	(3,167,702)
Decrease (increase) in other current assets	(179,356)	30,420
Total changes in operating assets	<u>8,961,953</u>	<u>(14,090,022)</u>
Changes in operating liabilities:		
Increase (decrease) in notes and accounts payable	(11,497,161)	5,331,370
Increase (decrease) in other payable	1,611,238	803,182
Increase (decrease) in provisions	(162,288)	(169,754)
Increase (decrease) in unearned revenue	87,682	(499,725)
Other	(51,955)	(142,570)
Total changes in operating liabilities	<u>(10,012,484)</u>	<u>5,322,503</u>
Total changes in operating assets and liabilities	<u>(1,050,531)</u>	<u>(8,767,519)</u>
Total adjustments	<u>2,607,528</u>	<u>(5,691,223)</u>
Cash flows from (used in) operations	6,442,524	(438,450)
Interest received	239,930	497,210
Interest paid	(224,965)	(199,067)
Income taxes paid	(1,088,847)	(1,134,422)
Net Cash flows from (used in) operating activities	<u>5,368,642</u>	<u>(1,274,729)</u>
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method and available-for-sale financial assets	(1,057,825)	(1,982,443)
Proceeds from disposal of available-for-sale financial assets	535,099	7,956
Net cash flow from acquisition of subsidiaries	(24,102)	-
Proceeds from capital reduction of investments	25,456	16,425
Acquisition of property, plant and equipment	(2,393,359)	(2,348,803)
Proceeds from disposal of property, plant and equipment	438,776	309,117
Acquisition of intangible assets	(282,675)	(407,212)
Other	33,621	(189,897)
Net cash flows from (used in) investing activities	<u>(2,725,009)</u>	<u>(4,594,857)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	4,886,667	(3,636,231)
Proceeds from long-term debt	783,274	495,000
Repayments of long-term debt	-	(57,000)
Exercise of employee share options	-	251,018
Payments to acquire treasury shares	(1,126,478)	-
Disposal of ownership interests in subsidiaries (without losing control)	141,517	-
Changes in non-controlling interests	143,531	(8,411)
Other	166,416	26,099
Net cash flows from (used in) financing activities	<u>4,994,927</u>	<u>(2,929,525)</u>
Effect of exchange rate changes on cash and cash equivalents	639,920	(215,596)
Net increase (decrease) in cash and cash equivalents	8,278,480	(9,014,707)
Cash and cash equivalents at beginning of period	44,154,582	52,348,302
Cash and cash equivalents at end of period	\$ <u>52,433,062</u>	<u>43,333,595</u>

See accompanying notes to financial statements.

