

ALI CORPORATION
Consolidated Statements of Cashflow
For the periods ended Sep.30 , 2008 and 2007

(Amounts in thousand New Taiwan Dollars)

	2008	2007
Cash flows from operating activities :		
Net income	241,120	
Adjustments to reconcile net income to net cash provided by operating activities :		
Depreciation	28,270	
Amortization	65,558	
Amortization - deferred credit	(2,135)	
Provision for inventory loss	49,229	
Gain on disposal of investments	(1,609)	
Valuation gain on financial instruments	(2,099)	
Loss on disposal of property and equipment, net	614	
Loss on impairment of financial assets	1,177	
Change in deferred income tax assets	18,171	
Decrease in financial assets at fair value through profit or loss -current	460,598	
Decrease in notes receivable	68	
Increase in accounts receivable	(101,754)	
Increase in other financial assets -current	(3,763)	
Decrease in inventory	118,556	
Increase in prepaid expenses and other current assets	(1,448)	
Decrease in prepaid pension	1,743	
Decrease in notes payable	(13)	
Increase in accounts payable	33,702	
Increase in payables to related parties	27,828	
Decrease in tax payable	(48,105)	
Increase in accrued expenses and other current liabilities	869	
Cash provided by operating activities	886,577	
Cash flows from investing activities :		
Decrease in financial assets available for sale -current	31,609	
Additions to property, plant and equipment	(11,052)	
Proceeds from sale of property, plant and equipment	36	
Increase in intangible assets	(34,072)	
Increase of refundable deposits	(44)	
Increase in deferred assets	(1,384)	
Cash used in investing activities	(14,907)	
Cash flows from financing activities :		
Increase of deposit-in	79	
Employee stock option	13,674	
Payments of cash dividends , employees' cash bonus , directors' and supervisors' remuneration	(372,439)	
Cash used in financing activities	(358,686)	
Effect of exchange rate change on cash	4,803	
Net increase in cash and cash equivalents	517,787	
Cash and cash equivalents at beginning of year	1,670,294	
Cash and cash equivalents at end of the period	2,188,081	

Note : Based on the regulations governing public companies of the Securities and Futures Bureau ,
ALI didn't need to prepare consolidated financial statement till 2008 .