

ALI CORPORATION
Consolidated Statements of Cashflow
For the periods ended Mar.31 , 2009 and 2008

(Amounts in thousand New Taiwan Dollars)

	2009	2008
Cash flows from operating activities :		
Net income	163,356	63,235
Adjustments to reconcile net income to net cash provided by operating activities :		
Depreciation	9,657	9,641
Amortization	21,237	22,808
Amortization - deferred credit	(786)	(716)
Provision for inventory loss (reversal)	(37,310)	8,905
Gain on disposal of investments	(26)	(960)
Valuation gain on financial instruments	(6,078)	(205)
Loss on disposal of property and equipment, net	48	273
Change in deferred income tax assets	7,536	11,323
Decrease in financial assets at fair value through profit or loss -current	52,009	254,797
Decrease(increase)in notes receivable	7,033	(2,250)
Decrease in accounts receivable	86,310	153,237
Decrease in other financial assets -current	11,465	13,211
Decrease in inventory	155,375	145,090
Decrease(increase) in prepaid expenses and other current assets	2,038	(5,251)
Decrease in prepaid pension	518	581
Decrease in notes payable	0	(13)
Decrease in accounts payable	(68,543)	(348,785)
Increase in payables to related parties	4,510	6,102
Increase(decrease) in accrued expenses	17,497	(76,172)
Decrease in other payables	(12,199)	(14,907)
Increase in other current liabilities	1,011	235
Increase in tax payable	2,786	4,165
Cash provided by operating activities	<u>417,444</u>	<u>244,344</u>
Cash flows from investing activities :		
Increase in certificate of deposit - restricted	0	(1,064)
Decrease(increase) in financial assets available for sale -current	(259,974)	30,960
Additions to property, plant and equipment	(471)	(4,735)
Proceeds from sale of property, plant and equipment	0	14
Decreases in intangible assets	(11,844)	(14,299)
Decrease of refundable deposites	12	531
Increase in deferred assets	(35)	0
Cash provided(used in) by investing activities	<u>(272,312)</u>	<u>11,407</u>
Cash flows from financing activities :		
Employee stock option	0	13,674
Increase(decrease) of deposit- in	2	(55)
Cash provided by financing activities	<u>2</u>	<u>13,619</u>
Effect of exchange rate change on cash	<u>2,816</u>	<u>(1,677)</u>
Net increase in cash and cash equivalents	147,950	267,693
Cash and cash equivalents at beginning of year	<u>2,305,360</u>	<u>1,670,294</u>
Cash and cash equivalents at end of the period	<u><u>2,453,310</u></u>	<u><u>1,937,987</u></u>