

ALI CORPORATION
Consolidated Statements of Cashflow
For the periods ended Jun.30 , 2009 and 2008

(Amounts in thousand New Taiwan Dollars)

	2009	2008
Cash flows from operating activities :		
Net income	375,519	92,878
Adjustments to reconcile net income to net cash provided by operating activities :		
Depreciation	19,022	18,948
Amortization	40,914	44,708
Amortization - deferred credit	(1,541)	(1,414)
Provision for inventory loss (reversal)	(68,271)	30,267
Gain on disposal of investments	(2,530)	(982)
Valuation loss (gain) on financial instruments	(2,060)	25
Loss on disposal of property and equipment, net	1,550	476
Loss on disposal of deferred assets	30	0
Compensatory cost of Employee' stock option	4,804	0
Loss on impairment of financial assets	0	1,160
Change in deferred income tax assets	8,911	16,201
Decrease in financial assets at fair value through profit or loss -current	210,071	254,797
Decrease(increase)in notes receivable	7,033	(546)
Decrease(increase) in accounts receivable	(95,495)	51,256
Decrease(increase) in other financial assets -current	(7,130)	5,601
Decrease in inventory	53,525	167,708
Decrease (increase) in prepaid expenses and other current assets	(33,160)	779
Decrease in prepaid pension	1,019	1,162
Decrease in notes payable	0	(13)
Increase (decrease) in accounts payable	304,276	(192,277)
Increase (decrease) in payables to related parties	(34,981)	15,014
Increase(decrease) in accrued expenses	218,724	(35,374)
Decrease in tax payable	(9,126)	(51,962)
Decrease in other payables	(9,513)	(14,816)
Increase in other current liabilities	6,408	2,233
Cash provided by operating activities	<u>987,999</u>	<u>405,829</u>
Cash flows from investing activities :		
Increase in certificate of deposit - restricted	0	(841)
Held the financial asset available for sale-current	(430,000)	(170,000)
Proceeds from disposal of financial asset available for sale- current	192,530	170,982
Additions to property, plant and equipment	(3,844)	(8,230)
Proceeds from sale of property, plant and equipment	0	26
Increase in intangible assets	(19,759)	(20,886)
Decrease (increase) of refundable deposites	(1,511)	42
Increase in deferred assets	(48)	(1,307)
Cash provided(used in) by investing activities	<u>(262,632)</u>	<u>(30,214)</u>
Cash flows from financing activities :		
Employee stock option	0	13,674
Increase(decrease) of deposit- in	(60)	134
Cash provided by financing activities	<u>(60)</u>	<u>13,808</u>
Effect of exchange rate change on cash	<u>1,412</u>	<u>(1,194)</u>
Net increase in cash and cash equivalents	726,719	388,229
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>3,032,079</u></u>	<u><u>2,058,523</u></u>