

YUANTA CORE PACIFIC FUTURES CO., LTD  
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	December 31	
	2005	2004
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 195,326	\$ 159,205
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation (including assets for lease and idle assets)	21,284	21,526
Amortization	12,568	10,138
Provision (reserve) for decline - short -term investments	38	-
Gain on sale of short -term investments	-	( 589)
Loss on long-term equity investments accounted for under the equity method	4,902	7,306
Provision for trading loss (gain) reserve	1,028	845
Provision for defaults loss reserve	17,312	21,990
The amount of write-off reserve for breach of contract losses	-	( 5,953)
Loss on disposal of fixed assets	69	417
Provision for bad debts loss reverse	-	-
Changes in assets and liabilities:		
Customer guarantee deposits	1,473,757	( 704,148)
Futures transactions margin receivable	( 28,303)	( 42,377)
Purchase options - nonhedging	1,476	( 1,476)
Futures trading margin receivables	66	( 66)
Accounts receivable	( 93)	35
Accounts receivable- related parties	198	414
Prepayments	4,598	( 3,290)
Other receivables	( 466)	45
Other current assets - current	( 1)	3
Deferred income tax liabilities - noncurrent	( 4,540)	( 5,754)
Liabilities on sales of options	588	1,407
Equities of futures traders	( 1,467,615)	699,099
Notes payable	( 4,848)	3,851
Accounts payable	4,028	( 5,695)
Accounts payable - related parties	( 4,667)	( 1,708)
Collections for third parties	( 1,737)	883
Other payables	( 2,867)	( 25,104)
Accrued pension liabilities	( 890)	1,119
Net cash provided by operating activities	<u>221,211</u>	<u>132,123</u>

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	December 31	
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<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Increase in short-term investments(Decrease)	(\$ 7,000)	\$ 589
Purchases of long-term investments - subsidiary		
Purchases of long - term investments -others	-	( 6,840)
Purchases of fixed assets	( 1,628)	( 25,468)
Proceeds from disposal of fixed assets	464	500
Increase in operating guarantee deposits		
Decrease in exchange clearing deposits(Increase)	9,000	( 15,000)
Decrease in deposits-out(Increase)	36	( 387)
Increase in deferred assets	( 7,704)	( 8,157)
Net cash (used in) provided by investing activities	( 6,832)	( 54,763)
 <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Payments of leasehold accounts payable	-	( 32,069)
Increase in leasehold accounts payable	-	18,901
Capital increase through cash injection	140,000	-
Cash dividends	( 128,370)	( 89,100)
Remunerations to directors, supervisors and employees	( 2,857)	( 3,445)
Net cash used in financing activities	8,773	( 105,713)
Net increase (decrease) in cash and cash equivalents	223,152	( 28,353)
Cash and cash equivalents - beginning balance	597,634	625,987
Cash and cash equivalents - ending balance	\$ 820,786	\$ 597,634
 <u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	\$ 7,730	\$ 7,351
Cash paid for income tax	\$ 68,018	\$ 72,375