

YUANTA CORE PACIFIC FUTURES CO., LTD
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	December 31	
	2006	2005
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 221,529	\$ 195,326
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for decline in market value of trading securities	-142	38
Depreciation (including assets for lease and idle assets)	20,856	21,284
Amortization	8,500	12,568
Provision (reserve) for decline - short -term investments (Gain) loss on long-term equity investments accounted for under the equity method	3,903	4,902
Provision for trading loss (gain) reserve	7,569	1,028
Provision for defaults loss reserve	15,301	17,312
The amount of write-off reserve for breach of contract losses		
Loss on disposal of fixed assets	-	69
Provision for bad debts loss reverse		
Changes in assets and liabilities:		
Customer guarantee deposits	1,039,522	1,473,757
Futures trading margin receivables	(107,180)	(26,827)
Accounts receivable	231	(93)
Accounts receivable- related parties	19	198
Prepayments	(2,014)	4,598
Other receivables	(1,565)	(466)
Other current assets - current	1	(1)
Deferred income tax liabilities - noncurrent	(3,834)	(4,540)
Financial liabilities at fair value through profit or loss-current	253	588
Equities of futrues traders	(1,045,214)	(1,467,615)
Notes payable	705	(4,848)
Accounts payable	(7,471)	4,028
Accounts payable - related parties	(7,674)	(4,667)
Collections for third parties	(79)	(1,737)
Other payables	17,692	(2,867)
Accrued pension liabilities	34	(890)
Net cash provided by operating activities	<u>160,942</u>	<u>221,211</u>

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	December 31	
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<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Financial liabilities at fair value through profit or loss-current	(\$ 7,000)	(\$ 7,000)
Purchases of fixed assets	(1,069)	(1,628)
Proceeds from disposal of fixed assets	-	464
Increase in exchange clearing deposits	6,000	9,000
Decrease in deposits-out	1,000	36
Increase in deferred assets	(2,044)	(7,704)
Net cash (used in) provided by investing activities	(3,113)	(6,832)
 <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Capital increase through cash injection	-	140,000
Cash dividends	(134,000)	(128,370)
Remunerations to directors, supervisors and employees	(2,804)	(2,857)
Net cash used in financing activities	-	140,000
Net (decrease) increase in cash	21,025	223,152
Cash and cash equivalents - beginning balance	820,786	597,634
Cash and cash equivalents - ending balance	\$ 841,811	\$ 820,786
 <u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	\$ 17,289	\$ 7,730
Cash paid for income tax	\$ 71,114	\$ 68,018