

YUANTA FUTURES CO., LTD
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	December 31	
	2007	2006
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 315,634	\$ 221,529
Adjustments to reconcile net income to net cash provided by operating activities		
Gain on long-term equity investments accounted for under equity method	(198)	-
Provision for decline in market value of trading securities	(387)	(142)
Depreciation (including assets for lease and idle assets)	24,758	20,856
Amortization	10,507	8,500
Provision (reserve) for decline - short -term investments		
(Gain) loss on long-term equity investments accounted for under the equity method	6,007	3,903
Provision for trading loss (gain) reserve	26,134	7,569
Provision for defaults loss reserve	17,918	15,301
The amount of write-off reserve for breach of contract losses		
Loss on disposal of fixed assets	-	-
Provision for bad debts loss reverse	-	-
Changes in assets and liabilities:		
Customer guarantee deposits	(448,941)	1,039,522
Financial assets at fair value through profit or loss-current-Bought options	6,820	(7,847)
Financial assets at fair value through profit or loss-current-Futures margin	(276,911)	(99,333)
Futures trading margin receivables		
Accounts receivable - for third parties	(1,709)	250
Accounts receivable- related parties	-	-
Prepayments	1,349	(2,014)
Other receivables- related parties	1,836	(1,565)
Other current assets - current	(10)	1
Deferred income tax liabilities - noncurrent	(2,402)	(3,834)
Financial liabilities at fair value through profit or loss-current	(3,102)	253
Equities of futrues traders	450,817	(1,045,214)
Notes payable	(835)	705
Accounts payable	(1,397)	(7,471)
Accounts payable - related parties	508	(7,674)
Advance collections	13	-
Collections for third parties	(766)	(79)
Other payables	(10,554)	17,692
Other current liabilities	(146)	-
Accrued pension liabilities	(273)	34
Net cash provided by operating activities	<u>114,670</u>	<u>160,942</u>

YUANTA FUTURES CO., LTD
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	December 31	
	2007	2006
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Financial assets at fair value through profit or loss-current-Open-ended Funds and Money-market Instruments	\$ 150,211	(\$ 7,000)
Purchases of fixed assets	(6,662)	(1,069)
Acquisition of long-term investments - subsidiaries	(57,120)	-
Proceeds from disposal of long-term equity investments	73,095	-
Proceeds from disposal of fixed assets	-	-
Increase in exchange clearing deposits	48,000	6,000
Decrease in business security deposits	80,000	-
Decrease in deposits-out	3,251	1,000
Increase in deferred assets	(5,673)	(2,044)
Net cash (used in) provided by investing activities	<u>285,102</u>	<u>(3,113)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Capital increase through cash injection	-	-
Cash dividends	(152,000)	(134,000)
Remunerations to directors, supervisors and employees	(3,162)	(2,804)
Cash dividends from closed company	(40,053)	-
Bonus to employees from closed company	(405)	-
Cash from consolidation	549,973	-
Net cash used in financing activities	<u>354,353</u>	<u>(136,804)</u>
Net (decrease) increase in cash	754,125	21,025
Cash and cash equivalents - beginning balance	<u>841,811</u>	<u>820,786</u>
Cash and cash equivalents - ending balance	<u>\$ 1,595,936</u>	<u>\$ 841,811</u>
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	<u>\$ 23,233</u>	<u>\$ 17,289</u>
Cash paid for income tax	<u>\$ 87,444</u>	<u>\$ 71,114</u>