

GOLDEN BRIDGE ELECTTECH INC.
Consolidated Statements of Cash Flows
For the years ended March 31, 2005 and 2004
(expressed in thousands of New Taiwan dollars)

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Net income	\$ 15,964	19,219
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,874	5,787
Provision for asset valuation	8,757	4,000
Investment income under the equity method, net	2,076	(12,095)
Increase in notes and accounts receivable	(33,112)	(45,861)
Decrease (increase) in inventories	(14,657)	(37,687)
Decrease in accounts receivable-related parties	1,142	(6,621)
Decrease (increase) in other financial assets	5,176	2,047
Decrease (increase) in prepaid and other current assets	3,681	1,007
Increase in notes and accounts payable	(25,412)	50,341
Increase (decrease) in accrued expenses and other current liabilities	3,002	(1,672)
Increase in income tax payable	(2,208)	4,096
Other	1,168	(451)
Net cash provided by (used in) operating activities	<u>(28,549)</u>	<u>(17,890)</u>
Cash flows from investing activities:		
Decrease (increase) in long-term equity investments		(3,372)
Decrease (increase) in short-term investments	5,000	(30,004)
Sells the fixed asset		
Purchase fixed asset		
Increase (decrease) in deferred expenses	(15,089)	(3,013)
Other	(261)	646
Net cash provided by (used in) investing activities	<u>(10,350)</u>	<u>(35,743)</u>
Cash flows from financing activities:		
Increase (decrease) in long(short)-term loans	(150,000)	10,000
Proceeds from exercises of stock options	2,742	
Repays the long-term loan		(2,500)
Other		15
Net cash provided by (used in) financing activities	<u>(147,258)</u>	<u>7,515</u>
Net increase (decrease) in cash and cash equivalents	<u>(186,157)</u>	<u>(46,118)</u>
Cash and cash equivalents at beginning of year	415,338	103,085
Cash and cash equivalents at end of year	<u>\$ 229,181</u>	<u>56,967</u>
Cash paid during the period for:		
Interest	\$ 78	490
Income taxes	\$ 21	
Supplementary disclosures of investing and financing activities not affecting cash flows:		
Long-term equity investments reclassified to short-term investments		<u>3,081</u>
Convertible bonds payable and others transferred to capital stock and capital surplus	<u>\$ 51,911</u>	
Long-term loans – current portion		<u>10,000</u>
Provision for land value increment tax transferred to capital surplus from assets revaluation	<u>\$ 5,094</u>	