

PRIMASIA SECURITIES CO., LTD.
Balance Sheets
December 31, 2012 and 2011
(expressed in thousands of New Taiwan dollars)

Assets	(Restated) 2012.12.31		2011.12.31		Liabilities and stockholders' equity	(Restated) 2012.12.31		2011.12.31	
	Amount	%	Amount	%		Amount	%	Amount	%
Current assets:					Current liabilities:				
Cash and cash equivalents (notes(4) and (19))	\$ 197,434	7	94,967	4	Short-term loans (note(13), (19) and (22))	\$ 833,000	28	774,000	31
Financial assets measured at fair value through profit and loss-current (notes(2), (5), (19) and (22))	1,427,565	47	1,047,854	42	Commercial paper payable (note(13), (19) and (22))	459,558	15	409,545	16
Customer margin account (note(2),(6) and (19))	11,094	-	11,561	-	Financial liabilities measured at fair value through profit and loss-current (note(2), (5) and (19))	12,720	-	15,743	1
Prepaid expenses	1,612	-	1,942	-	Customer accounts' liability (note(2), (14) and (19))	11,090	-	11,557	-
Other receivables (note (19))	1,768	-	1,524	-	Notes payable (note(19))	109	-	560	-
Other financial assets-current (notes(19) and (21))	4,345	-	10,616	-	Accounts payable (note(19))	61,451	2	-	-
Restricted current assets (notes(4), (19) and (22))	418,500	14	403,500	16	Other current liabilities (note(19))	85,996	3	38,345	1
	<u>2,062,318</u>	<u>68</u>	<u>1,571,964</u>	<u>62</u>		<u>1,463,924</u>	<u>48</u>	<u>1,249,750</u>	<u>49</u>
Funds and investments:					Other liabilities:				
Available-for-sale financial assets-non current (notes(2), (5) and (19))	561,513	19	394,222	15	Guarantee Deposits Received (note(19))	-	-	236	-
Fixed assets:(notes (2), (8) and (22))					Accrued pension liabilities –non current (notes(2) and (16))	10,166	-	10,876	-
Land	177,115	6	198,336	8	Bad debt provision (notes(2))	17,757	1	17,757	1
Buildings and improvements	106,574	4	187,932	7		<u>27,923</u>	<u>1</u>	<u>28,869</u>	<u>1</u>
Office and transportation equipment	34,870	1	43,191	2	Total liabilities	<u>1,491,847</u>	<u>49</u>	<u>1,278,619</u>	<u>50</u>
	318,559	11	429,459	17	Stockholder's equity:				
Less: accumulated depreciation	(99,568)	(3)	(132,783)	(5)	Capital stock (note(15))				
	<u>218,991</u>	<u>8</u>	<u>296,676</u>	<u>12</u>	Common stock	1,137,554	38	1,137,554	44
Other assets:					Retained earnings				
Operating bonds (note (9) , (19) and (22))	130,000	4	130,000	5	Legal reserve (notes(15))	111,422	4	111,422	4
Settlement funds (note (10) , (19) and (22))	43,030	1	50,864	2	Special reserve (notes(15) and (25))	40,566	1	450,944	18
Guarantee deposits paid (notes(19), (22) and (23))	11,991	-	5,489	-	Unappropriated earnings (Accumulated deficit) (notes(15),(17) and (25))	183,701	6	(410,378)	(16)
Deferred charges (note (2))	2,492	-	2,949	-		<u>335,689</u>	<u>11</u>	<u>151,988</u>	<u>6</u>
Leased Assets (notes(2), (11), (21) and (22))	-	-	114,673	4	Other items of stockholder's equity				
	187,513	5	303,975	11	Unrealized gain on financial instruments (notes (2), (5))	67,211	2	-	-
Debit Items for Consignment Tradings (note(12) and (19))	1,966	-	1,324	-		<u>67,211</u>	<u>2</u>	<u>-</u>	<u>-</u>
					Total stockholders' equity	1,540,454	51	1,289,542	50
					Commitments and contingencies (note(23))				
Total assets	<u>\$ 3,032,301</u>	<u>100</u>	<u>2,568,161</u>	<u>100</u>	Total liabilities and stockholders' equity	<u>\$ 3,032,301</u>	<u>100</u>	<u>2,568,161</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.

PRIMASIA SECURITIES CO., LTD.
Statements of Income
Years ended December 31, 2012 and 2011
(expressed in thousands of New Taiwan dollars except for earnings per common share)

	2012		2011	
	Amount	%	Amount	%
Income:				
Brokerage handling fee revenue (note(21))	\$ 31,373	7	42,859	13
Revenue from underwriting business	73	-	185	-
Profit from sale of operating securities (note(2))	-	-	240,384	71
Interest revenue (note(2))	8,533	2	6,556	2
Dividend revenue	5,800	1	16,184	5
Gain from valuation of operating securities	138,447	31	-	-
Other operating revenue	991	-	1,404	-
Non-operating revenue and profits (note(21))	266,791	59	30,849	9
	<u>452,008</u>	<u>100</u>	<u>338,421</u>	<u>100</u>
Expenses:				
Brokerage handling fee expense	2,846	1	4,230	1
Dealing handling fee expense	228	-	559	-
Underwriting operation handling fee expense	-	-	3	-
Loss from sale of operating securities (note(2))	17,494	4	-	-
Loss from valuation of operating securities	-	-	373,661	110
Settlement service expense	60	-	93	-
Loss from financial derivative instruments (notes(2) and (19))	14,787	3	186,718	55
Operating expenses (notes(2), (16), (21) and (26))	203,893	45	157,791	47
Non-operating expenses and losses (note(2))	27,158	6	21,301	6
	<u>266,466</u>	<u>59</u>	<u>744,356</u>	<u>219</u>
Net income (loss) before income tax	185,542	41	(405,935)	(119)
Income expenses (notes(2) and (17))	1,841	-	9,322	3
Net income (loss)	<u>\$ 183,701</u>	<u>41</u>	<u>(415,257)</u>	<u>(122)</u>
			Before	After
			income taxes	income taxes
Basic earnings (losses) per share (notes(2) and (18))				
Net income (loss) (New Taiwan Dollars)	<u>\$ 1.63</u>		<u>(3.57)</u>	<u>(3.65)</u>

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PRIMASIA SECURITIES CO., LTD.
Statements of Changes in Stockholders' Equity
Years ended December 31, 2012 and 2011
(expressed in thousands of New Taiwan dollars)

	Reserves and unappropriated earnings (Accumulated deficit)			Unappropriated earnings (Accumulated deficit)	Other adjustments of stockholders' equity	Total
	Common stock	Legal reserve	Special reserve	Unrealized gain on financial instruments		
Balance at January 1, 2011	\$ 1,137,554	105,850	351,569	55,722	-	1,650,695
Net loss in 2011	-	-	-	(415,257)	-	(415,257)
Appropriation of earnings:	-					
Legal Reserve		5,572	-	(5,572)	-	-
Special reserve		-	11,144	(11,144)	-	-
Cash Dividend		-	-	(34,127)	-	(34,127)
Reserve for loss caused by breach of contract and securities trading losses transferred to Special reserve	-	-	88,231	-	-	88,231
Balance at December 31, 2011	1,137,554	111,422	450,944	(410,378)	-	1,289,542
Appropriation of earnings:						
Special reserve used to cover accumulated deficit (Restated) (notes(25))	-	-	(410,378)	410,378	-	-
Net income 2012	-	-	-	183,701	-	183,701
Unrealized gain on financial instruments	-	-	-	-	67,211	67,211
Balance at December 31, 2012 (Restated)	\$ 1,137,554	111,422	40,566	183,701	67,211	1,540,454

The accompanying notes are an integral part of the financial statements.

PRIMASIA SECURITIES CO., LTD.
Statements of Cash Flows
Years ended December 31, 2012 and 2011
(Expressed in thousands of New Taiwan dollars)

	2012	2011
Cash flows from operating activities:		
Net income (loss)	\$ 183,701	(415,257)
Adjustments to reconcile net (loss) income to net cash provided (used) by operating activities:		
Depreciation	11,073	11,327
Amortization	1,705	1,492
Depreciation of leased assets	2,865	2,078
(Gain) Loss on disposal of fixed assets	(124,524)	214
Gain on disposal of leased assets	(97,726)	-
(Gain) Loss on valuation of operating securities	(138,447)	373,661
Net changes in operating assets and liabilities:		
Net changes in operating assets:		
(Increase) Decrease in financial assets measured at fair value through profit and loss- current	(241,264)	96,437
Decrease in customer margin account	467	1,072
Decrease (increase) in prepaid expenses	330	(737)
(Increase) decrease in other receivables	(244)	1,671
Decrease (increase) in other financial assets	6,271	(10,616)
Net cash (used in) provided by debit items for consigned trades	(642)	1,352
Net changes in operating liabilities:		
(Decrease) Increase in financial liabilities measured at fair value through profit and loss- current	(3,023)	14,864
Decrease in customer accounts' liability	(467)	(1,074)
Increase in notes payable	61,000	300
Decrease in accrued pension liabilities-non current	(710)	(324)
Increase (Decrease) in other current liabilities	47,651	(2,152)
Decrease in guarantee deposits received	(236)	(44)
Net cash (used in) provided by operating activities	(292,220)	74,264
Cash flows from investing activities:		
Acquisition of available-for-sale financial assets	(100,080)	(113,297)
Acquisition of fixed assets	(6,192)	(8,652)
Proceeds from disposition of fixed assets	197,328	900
Acquisition of leased assets	(1,902)	(3,846)
Proceeds from disposition of leased assets	211,436	-
Decrease in settlement fund	7,834	200
Increase in guarantee deposits paid	(6,502)	(488)
Increase in deferred charges	(1,248)	(2,877)
Increase in restricted current assets	(15,000)	(80,000)
Net cash used in investing activities	(285,674)	(208,060)
Cash flows from financing activities:		
Increase in short-term loans and commercial paper payable	109,013	172,757
Distribute cash dividends	-	(34,127)
Net cash provided by financing activities	109,013	138,630
Increase in cash and cash equivalents	102,467	4,834
Cash and cash equivalents, beginning of the year	94,967	90,133
Cash and cash equivalents, end of the year	\$ 197,434	94,967
Supplemental disclosures of cash flows information:		
Cash paid for interest during the year	\$ 24,085	18,955
Cash paid for income taxes during the year	\$ 11,458	-

The accompanying notes are an integral part of the financial statements.