

## 12. PROPERTY, PLANT AND EQUIPMENT

	Year Ended December 31, 2012				
	Balance, Beginning of Year	Additions	Disposals	Reclassification	Balance, End of Year
Cost					
Buildings	\$ 149,495,478	\$ 23,886,199	\$ (25,671)	\$ (11,074)	\$ 173,344,932
Machinery and equipment	984,978,666	219,868,105	(1,649,440)	(436,234)	1,202,761,097
Office equipment	13,824,434	3,348,864	(489,814)	-	16,683,484
	<u>1,148,298,578</u>	<u>\$ 247,103,168</u>	<u>\$ (2,164,925)</u>	<u>\$ (447,308)</u>	<u>1,392,789,513</u>
Accumulated depreciation					
Buildings	90,274,267	\$ 9,428,212	\$ (24,403)	\$ (164)	99,677,912
Machinery and equipment	704,885,017	111,325,894	(1,607,195)	(28,814)	814,574,902
Office equipment	9,581,513	1,617,053	(489,814)	-	10,708,752
	<u>804,740,797</u>	<u>\$ 122,371,159</u>	<u>\$ (2,121,412)</u>	<u>\$ (28,978)</u>	<u>924,961,566</u>
Advance payments and construction in progress	110,815,752	\$ 8,004,900	\$ (45,305)	-	118,775,347
	<u>\$ 454,373,533</u>				<u>\$ 586,603,294</u>

	Year Ended December 31, 2011					
	Balance, Beginning of Year	Additions	Disposals	Reclassification	Effect of Spin-off	Balance, End of Year
Cost						
Buildings	\$ 128,646,942	\$ 22,343,302	\$ (36,929)	\$ (388)	\$ (1,457,449)	\$ 149,495,478
Machinery and equipment	852,733,592	135,641,295	(2,079,115)	(17,225)	(1,299,881)	984,978,666
Office equipment	11,730,537	2,495,001	(362,032)	-	(39,072)	13,824,434
	<u>993,111,071</u>	<u>\$ 160,479,598</u>	<u>\$ (2,478,076)</u>	<u>\$ (17,613)</u>	<u>\$ (2,796,402)</u>	<u>1,148,298,578</u>
Accumulated depreciation						
Buildings	81,347,877	\$ 8,966,377	\$ (14,293)	\$ (55)	\$ (25,639)	90,274,267
Machinery and equipment	616,495,207	90,613,430	(2,025,728)	(5,569)	(192,323)	704,885,017
Office equipment	8,762,361	1,184,310	(362,031)	-	(3,127)	9,581,513
	<u>706,605,445</u>	<u>\$ 100,764,117</u>	<u>\$ (2,402,052)</u>	<u>\$ (5,624)</u>	<u>\$ (221,089)</u>	<u>804,740,797</u>
Advance payments and construction in progress	80,348,673	\$ 35,453,130	\$ (3,259,587)	-	\$ (1,726,464)	110,815,752
	<u>\$ 366,854,299</u>					<u>\$ 454,373,533</u>

No interest was capitalized during the years ended December 31, 2012 and 2011.

## 13. DEFERRED CHARGES, NET

	Year Ended December 31, 2012				
	Balance, Beginning of Year	Additions	Amortization	Reclassification	Balance, End of Year
Technology license fees	\$ 1,617,310	\$ -	\$ (390,723)	\$ -	\$ 1,226,587
Software and system design costs	2,316,571	1,772,958	(1,117,478)	(57,438)	2,914,613
Patent and others	785,363	411,943	(513,863)	57,438	740,881
	<u>\$ 4,719,244</u>	<u>\$ 2,184,901</u>	<u>\$ (2,022,064)</u>	<u>\$ -</u>	<u>\$ 4,882,081</u>

	Year Ended December 31, 2011					
	Balance, Beginning of Year	Additions	Amortization	Disposals	Effect of Spin-off	Balance, End of Year
Technology license fees	\$ 2,277,832	\$ 10,308	\$ (670,830)	\$ -	\$ -	\$ 1,617,310
Software and system design costs	2,075,935	1,324,958	(1,064,884)	(46)	(19,392)	2,316,571
Patent and others	1,102,660	323,030	(416,630)	-	(223,697)	785,363
	<u>\$ 5,456,427</u>	<u>\$ 1,658,296</u>	<u>\$ (2,152,344)</u>	<u>\$ (46)</u>	<u>\$ (243,089)</u>	<u>\$ 4,719,244</u>

## 14. SHORT-TERM LOANS

	December 31	
	2012	2011
Unsecured loans: US\$1,195,500 thousand, due in January 2013, and annual interest at 0.39%-0.58% in 2012; US\$856,000 thousand, due by February 2012, and annual interest at 0.45%-1.00% in 2011	\$ 34,714,929	\$ 25,926,528

## 15. BONDS PAYABLE

	December 31	
	2012	2011
Domestic unsecured bonds:		
Issued in September 2011 and repayable in September 2016, 1.40% interest payable annually	\$ 10,500,000	\$ 10,500,000
Issued in September 2011 and repayable in September 2018, 1.63% interest payable annually	7,500,000	7,500,000
Issued in January 2012 and repayable in January 2017, 1.29% interest payable annually	10,000,000	-
Issued in January 2012 and repayable in January 2019, 1.46% interest payable annually	7,000,000	-
Issued in August 2012 and repayable in August 2017, 1.28% interest payable annually	9,900,000	-
Issued in August 2012 and repayable in August 2019, 1.40% interest payable annually	9,000,000	-
Issued in September 2012 and repayable in September 2017, 1.28% interest payable annually	12,700,000	-
Issued in September 2012 and repayable in September 2019, 1.39% interest payable annually	9,000,000	-
Issued in October 2012 and repayable in October 2022, 1.53% interest payable annually	4,400,000	-
Issued in January 2002 and repayable in January 2012, 3.00% interest payable annually	-	4,500,000
	80,000,000	22,500,000
Current portion	-	(4,500,000)
	<u>\$ 80,000,000</u>	<u>\$ 18,000,000</u>

With the approval from the Financial Supervisory Commission, the Company issued domestic unsecured bonds in the amount of NT\$23,600,000 thousand in January 2013 and is expected to issue domestic unsecured bonds in the amount of NT\$21,400,000 thousand in February 2013.