

13. PROPERTY, PLANT AND EQUIPMENT

	Year Ended December 31, 2012					
	Balance, Beginning of Year	Additions	Disposals	Reclassification	Effect of Exchange Rate Changes	Balance, End of Year
Cost						
Land and land improvements	\$ 1,541,128	\$ 18,500	\$ -	\$ -	\$ (32,504)	\$ 1,527,124
Buildings	172,872,550	25,183,927	(26,789)	(11,074)	(703,937)	197,314,677
Machinery and equipment	1,057,588,736	226,497,664	(2,024,948)	(456,577)	(2,437,156)	1,279,167,719
Office equipment	16,969,266	3,658,525	(563,454)	35	(90,650)	19,973,722
Leased asset	791,480	-	-	-	(24,748)	766,732
	<u>1,249,763,160</u>	<u>\$ 255,358,616</u>	<u>\$ (2,615,191)</u>	<u>\$ (467,616)</u>	<u>\$ (3,288,995)</u>	<u>1,498,749,974</u>
Accumulated depreciation						
Land and land improvements	355,555	\$ 26,983	\$ -	\$ -	\$ (15,169)	367,369
Buildings	101,004,047	11,148,134	(24,528)	(164)	(390,192)	111,737,297
Machinery and equipment	762,774,355	116,070,821	(1,886,797)	(45,137)	(2,127,820)	874,785,422
Office equipment	11,820,728	1,875,785	(555,485)	8	(74,689)	13,066,347
Leased asset	297,535	40,135	-	-	(9,601)	328,069
	<u>876,252,220</u>	<u>\$ 129,161,858</u>	<u>\$ (2,466,810)</u>	<u>\$ (45,293)</u>	<u>\$ (2,617,471)</u>	<u>1,000,284,504</u>
Advance payments and construction in progress	116,863,976	\$ 2,330,537	\$ -	\$ (30,707)	\$ (99,830)	119,063,976
	<u>\$ 490,374,916</u>					<u>\$ 617,529,446</u>

	Year Ended December 31, 2011						
	Balance, Beginning of Year	Additions	Disposals	Reclassification	Effect of Changes in Consolidated Entities	Effect of Exchange Rate Changes	Balance, End of Year
Cost							
Land and land improvements	\$ 891,197	\$ 652,011	\$ -	\$ -	\$ -	\$ (2,080)	\$ 1,541,128
Buildings	145,966,024	26,592,895	(47,667)	(388)	(242,718)	604,404	172,872,550
Machinery and equipment	913,155,252	146,048,745	(2,305,971)	(82,475)	(375,702)	1,148,887	1,057,588,736
Office equipment	14,856,582	2,825,159	(431,847)	(72,041)	(236,153)	27,566	16,969,266
Leased asset	701,552	56,562	-	-	-	33,366	791,480
	<u>1,075,570,607</u>	<u>\$ 176,175,372</u>	<u>\$ (2,785,485)</u>	<u>\$ (154,904)</u>	<u>\$ (854,573)</u>	<u>\$ 1,812,143</u>	<u>1,249,763,160</u>
Accumulated depreciation							
Land and land improvements	328,792	\$ 26,805	\$ -	\$ -	\$ -	\$ (42)	355,555
Buildings	90,472,703	10,343,346	(21,452)	(55)	(32,791)	242,296	101,004,047
Machinery and equipment	671,268,636	93,499,249	(2,252,415)	(31,287)	(293,605)	583,777	762,774,355
Office equipment	10,957,676	1,430,941	(427,103)	(13,563)	(148,862)	21,639	11,820,728
Leased asset	250,350	34,646	-	-	-	12,539	297,535
	<u>773,278,157</u>	<u>\$ 105,334,987</u>	<u>\$ (2,700,970)</u>	<u>\$ (44,905)</u>	<u>\$ (475,258)</u>	<u>\$ 860,209</u>	<u>876,252,220</u>
Advance payments and construction in progress	86,151,573	\$ 31,000,193	\$ (455,372)	\$ (2,091)	\$ -	\$ 169,673	116,863,976
	<u>\$ 388,444,023</u>						<u>\$ 490,374,916</u>

The Company entered into agreements to lease buildings that qualify as capital leases. The term of the leases is from December 2003 to November 2018.

As of December 31, 2012, future lease payments were as follows:

Year	Amount
2013	\$ 27,042
2014	27,042
2015	27,042
2016	27,042
2017	27,042
2018 and thereafter	729,566
	<u>\$ 864,776</u>

During the years ended December 31, 2012 and 2011, the Company capitalized the borrowing costs directly attributable to the acquisition or construction of property, plant and equipment. Information about capitalized interest was as follows:

	Years Ended December 31	
	2012	2011
Capitalized interest	\$ 6,442	\$ 9,093
Capitalization rates	1.08%-1.20%	1.07%-1.29%