

**CAPITAL SECURITIES CORPORATION**  
**BALANCE SHEETS**  
**March 31, 2012 and 2011**  
(New Taiwan Dollars in Thousands, Except Share Data)

| ASSETS                                                                                                    | (Unaudited)<br>March 31, 2012 |            | (Unaudited)<br>March 31, 2011 |            | LIABILITIES AND STOCKHOLDERS' EQUITY                                                                                                                                    | (Unaudited)<br>March 31, 2012 |            | (Unaudited)<br>March 31, 2011 |            |
|-----------------------------------------------------------------------------------------------------------|-------------------------------|------------|-------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------|-------------------------------|------------|
|                                                                                                           | Amount                        | %          | Amount                        | %          |                                                                                                                                                                         | Amount                        | %          | Amount                        | %          |
| <b>Current Assets</b>                                                                                     |                               |            |                               |            | <b>Current Liabilities</b>                                                                                                                                              |                               |            |                               |            |
| Cash and cash equivalents (Notes 2 and 4(1))                                                              | \$ 710,682                    | 1          | 1,013,197                     | 2          | Short-term borrowings (Note 4(10))                                                                                                                                      | \$ 2,819,000                  | 5          | 2,787,000                     | 5          |
| Financial assets measured at fair value through profit or loss - current (Notes 2, 4(2), 4(21) and 6)     | 13,984,027                    | 25         | 13,634,442                    | 23         | Commercial paper payable (Note 4(11))                                                                                                                                   | 1,699,160                     | 3          | 6,448,738                     | 11         |
| Bonds purchased under resale agreements (Notes 2, 4(3) and 6)                                             | 2,256,167                     | 4          | 1,811,538                     | 3          | Bonds sold under repurchase agreements (Notes 4(13) and 5)                                                                                                              | 10,539,224                    | 19         | 8,561,831                     | 14         |
| Receivable for securities provided as collateral (net of allowance for doubtful accounts)                 | 18,539,620                    | 33         | 18,366,517                    | 31         | Financial liabilities measured at fair value through profit or loss - current (Notes 4(12) and 4(21))                                                                   | 1,262,170                     | 3          | 1,483,171                     | 3          |
| Refinancing margin                                                                                        | 178                           | -          | -                             | -          | Guaranty deposited for securities lent                                                                                                                                  | 1,605,214                     | 3          | 861,741                       | 1          |
| Receivable on refinancing collateral                                                                      | 3,770                         | -          | 7,484                         | -          | Proceeds payable from securities lent                                                                                                                                   | 1,814,462                     | 3          | 968,465                       | 2          |
| Receivable for securities lending and borrowing                                                           | -                             | -          | 2,681                         | -          | Securities lending refundable deposits                                                                                                                                  | 1,207,240                     | 2          | 893,637                       | 2          |
| Security borrowing collateral                                                                             | 4,063                         | -          | -                             | -          | Notes payable                                                                                                                                                           | 471                           | -          | 165                           | -          |
| Security borrowing margin                                                                                 | 962,163                       | 2          | 655,624                       | 1          | Accounts payable                                                                                                                                                        | 1,063,952                     | 2          | 153,552                       | -          |
| Notes receivable                                                                                          | 5,505                         | -          | 2,138                         | -          | Advance receipts                                                                                                                                                        | 4,837                         | -          | 17,395                        | -          |
| Accounts receivable (Notes 4(4) and 5)                                                                    | 510,235                       | 1          | 810,055                       | 1          | Receipts under custody                                                                                                                                                  | 150,628                       | -          | 71,035                        | -          |
| Prepayments                                                                                               | 28,724                        | -          | 32,770                        | -          | Other payables (Notes 2 and 4(14))                                                                                                                                      | 2,403,896                     | 4          | 2,789,813                     | 5          |
| Other receivables                                                                                         | 257,990                       | -          | 116,375                       | -          | Deferred income tax liabilities - current (Notes 2 and 4(17))                                                                                                           | 16,563                        | -          | -                             | -          |
| Other financial asset - current (Note 4(21))                                                              | 12                            | -          | -                             | -          | Long-term liability - current portion (Note 4(15))                                                                                                                      | 100,000                       | -          | -                             | -          |
| Pledged assets - current (Note 6)                                                                         | 552,228                       | 1          | 360,100                       | 1          | Other financial liabilities - current (Note 4(21))                                                                                                                      | 435,358                       | 1          | 166,036                       | -          |
| Deferred income tax assets - current (Notes 2 and 4(17))                                                  | -                             | -          | 488,282                       | 1          |                                                                                                                                                                         | <u>25,122,175</u>             | <u>45</u>  | <u>25,202,579</u>             | <u>43</u>  |
| Available-for-sale financial assets - current (Notes 2 and 4(2))                                          | 944,761                       | 2          | -                             | -          | <b>Long-Term Liabilities</b>                                                                                                                                            |                               |            |                               |            |
|                                                                                                           | <u>38,760,125</u>             | <u>69</u>  | <u>37,301,203</u>             | <u>63</u>  | Long-term borrowings (Note 4(15))                                                                                                                                       | 299,911                       | 1          | 3,014,871                     | 5          |
| <b>Funds and Long-Term Investments</b>                                                                    |                               |            |                               |            | Other financial liabilities - non-current (Note 4(21))                                                                                                                  | 521,196                       | 1          | 2,302,799                     | 4          |
| Long-term investments under equity method (Notes 2 and 4(5))                                              | 2,965,084                     | 6          | 15,157,777                    | 26         | Other long-term liabilities                                                                                                                                             | 47,691                        | -          | 27,698                        | -          |
| Available-for-sale financial assets - non-current (Notes 2 and 4(2))                                      | 646,539                       | 1          | 50,558                        | -          |                                                                                                                                                                         | <u>868,798</u>                | <u>2</u>   | <u>5,345,368</u>              | <u>9</u>   |
| Held-to-maturity financial assets - non-current (Notes 2, 4(2) and 6)                                     | -                             | -          | 790,856                       | 1          | <b>Other Liabilities</b>                                                                                                                                                |                               |            |                               |            |
| Financial assets measured at fair value through profit or loss - non-current (Notes 2, 4(2), 4(21) and 6) | 238,446                       | -          | 252,466                       | -          | Guarantee deposits received (Note 5)                                                                                                                                    | 18,178                        | -          | 7,163                         | -          |
|                                                                                                           | <u>3,850,069</u>              | <u>7</u>   | <u>16,251,657</u>             | <u>27</u>  | Accrued pension liabilities - non-current (Notes 2 and 4(16))                                                                                                           | 265,253                       | 1          | 24,483                        | -          |
| <b>Premises and Property (Notes 2, 4(6) and 6)</b>                                                        |                               |            |                               |            | Other liabilities (Notes 7(8))                                                                                                                                          | 130,507                       | -          | -                             | -          |
| Land                                                                                                      | 4,106,706                     | 7          | 2,918,738                     | 5          |                                                                                                                                                                         | <u>413,938</u>                | <u>1</u>   | <u>31,646</u>                 | <u>-</u>   |
| Buildings                                                                                                 | 2,178,884                     | 4          | 1,600,896                     | 3          | <b>Brokerage accounts, net (Note 4(9))</b>                                                                                                                              | <u>110,482</u>                | <u>-</u>   | <u>234,086</u>                | <u>-</u>   |
| Equipment                                                                                                 | 459,467                       | 1          | 372,037                       | 1          | <b>Total Liabilities</b>                                                                                                                                                | <u>26,515,393</u>             | <u>48</u>  | <u>30,813,679</u>             | <u>52</u>  |
| Prepayment for equipment                                                                                  | 43,824                        | -          | 35,470                        | -          | <b>Stockholders' Equity</b>                                                                                                                                             |                               |            |                               |            |
| Leasehold improvements                                                                                    | 243,050                       | -          | 220,430                       | -          | Common stock, par value \$10 per share, 3,000,000 thousand shares authorized, 2,369,073 and 2,305,723 thousand shares issued and outstanding, respectively (Note 4(18)) | 23,690,730                    | 43         | 23,057,225                    | 39         |
|                                                                                                           | 7,031,931                     | 12         | 5,147,571                     | 9          | Capital surplus                                                                                                                                                         |                               |            |                               |            |
| Less: Accumulated depreciation                                                                            | (1,180,983)                   | (2)        | (1,131,121)                   | (2)        | Premium from stock issuance                                                                                                                                             | 1,940,208                     | 3          | 1,803,328                     | 3          |
|                                                                                                           | <u>5,850,948</u>              | <u>10</u>  | <u>4,016,450</u>              | <u>7</u>   | Treasury stock transactions (Note 4(19))                                                                                                                                | 107,031                       | -          | 107,031                       | -          |
| <b>Intangible Assets (Notes 2, and 4(7))</b>                                                              |                               |            |                               |            | Long-term investments                                                                                                                                                   | 29,534                        | -          | 29,534                        | -          |
| Goodwill                                                                                                  | 3,126,698                     | 6          | -                             | -          | Paid-in capital from merger (Note 1)                                                                                                                                    | 658,234                       | 1          | 658,234                       | 1          |
| Deferred pension cost                                                                                     | 9,846                         | -          | 7,471                         | -          | Retained earnings                                                                                                                                                       |                               |            |                               |            |
| Other intangible assets                                                                                   | 403,949                       | 1          | 389,999                       | 1          | Legal reserve                                                                                                                                                           | 419,092                       | 1          | 254,533                       | -          |
|                                                                                                           | <u>3,540,493</u>              | <u>7</u>   | <u>397,470</u>                | <u>1</u>   | Special reserve (Note 2)                                                                                                                                                | 1,136,038                     | 2          | 902,364                       | 2          |
| <b>Other Assets</b>                                                                                       |                               |            |                               |            | Unappropriated earnings (Notes 4(17) and 4(18))                                                                                                                         | 1,316,947                     | 2          | 2,053,975                     | 3          |
| Guaranty deposited for business operations                                                                | 1,279,359                     | 2          | 101,000                       | -          | Cumulative translation adjustments (Note 2)                                                                                                                             | (35,174)                      | -          | (45,456)                      | -          |
| Settlement fund                                                                                           | 179,719                       | -          | 290,571                       | -          | Net loss not recognized as pension cost                                                                                                                                 | (33,664)                      | -          | -                             | -          |
| Refundable deposits                                                                                       | 101,267                       | -          | 70,957                        | -          | Unrealized gain or loss on financial instruments                                                                                                                        | (1,398)                       | -          | 65                            | -          |
| Deferred debits                                                                                           | 52,057                        | -          | 40,146                        | -          |                                                                                                                                                                         | <u>29,227,578</u>             | <u>52</u>  | <u>28,820,833</u>             | <u>48</u>  |
| Leased assets (net of accumulated depreciation) (Notes 2 and 6)                                           | 1,346,533                     | 3          | 675,572                       | 1          | <b>Total Stockholders' Equity</b>                                                                                                                                       |                               |            |                               |            |
| Idle assets - land (Notes 2 and 6)                                                                        | 38,668                        | -          | -                             | -          | <b>Significant commitments and contingencies</b>                                                                                                                        |                               |            |                               |            |
| Deferred income tax assets - non-current (Notes 2 and 4(17))                                              | 737,482                       | 2          | 489,238                       | 1          |                                                                                                                                                                         |                               |            |                               |            |
| Others (net of allowance for doubtful accounts) (Notes 2 and 4(8))                                        | 6,251                         | -          | 248                           | -          |                                                                                                                                                                         |                               |            |                               |            |
|                                                                                                           | <u>3,741,336</u>              | <u>7</u>   | <u>1,667,732</u>              | <u>2</u>   |                                                                                                                                                                         |                               |            |                               |            |
| <b>TOTAL ASSETS</b>                                                                                       | <u>\$ 55,742,971</u>          | <u>100</u> | <u>59,634,512</u>             | <u>100</u> | <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                       | <u>\$ 55,742,971</u>          | <u>100</u> | <u>59,634,512</u>             | <u>100</u> |

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

**CAPITAL SECURITIES CORPORATION**  
**STATEMENTS OF INCOME**  
**Years Ended March 31, 2012 and 2011**  
(New Taiwan Dollars in Thousands, Except Earnings Per Share Data)

|                                                                              | (Unaudited)           |                  | (Unaudited)           |                  |
|------------------------------------------------------------------------------|-----------------------|------------------|-----------------------|------------------|
|                                                                              | Jan. 1~ Mar. 31, 2012 |                  | Jan. 1~ Mar. 31, 2011 |                  |
|                                                                              | Amount                | %                | Amount                | %                |
| <b>Revenues:</b>                                                             |                       |                  |                       |                  |
| Brokerage commissions                                                        | \$ 769,360            | 41               | 603,441               | 35               |
| Underwriting commissions                                                     | 28,498                | 2                | 41,991                | 3                |
| Gain on sale of trading securities - proprietary trading                     | 28,277                | 2                | 87,570                | 5                |
| Gain on sale of trading securities - underwriting                            | -                     | -                | 9,107                 | 1                |
| Gain on sale of trading securities - hedging                                 | 41,203                | 2                | 60,792                | 4                |
| Securities management, distribution, and management fees                     | 39,033                | 2                | 17,107                | 1                |
| Interest revenue                                                             | 330,451               | 18               | 343,682               | 20               |
| Gain on valuation of trading securities                                      | 283,146               | 15               | -                     | -                |
| Gain on covering of borrowed securities and bonds with resale agreements     | -                     | -                | 680                   | -                |
| Gain on valuation of borrowed securities and bonds with resale agreements    | -                     | -                | 2,373                 | -                |
| Gain on stock warrants issued (Note 4(21))                                   | 126,795               | 7                | 233,977               | 14               |
| Futures commission revenue (Note 5)                                          | 20,548                | 1                | 23,830                | 1                |
| Gain on derivative financial instruments - futures (Note 4(21))              | -                     | -                | 7,491                 | -                |
| Gain on derivative financial instruments - OTC (Note 4(21))                  | -                     | -                | 151,409               | 9                |
| Other operating revenue                                                      | 64,060                | 3                | 68,358                | 4                |
| Non-operating revenue (Note 5)                                               | 97,080                | 5                | 57,712                | 3                |
| Investment income under the equity method (Note 4(5))                        | 37,708                | 2                | -                     | -                |
|                                                                              | <u>1,866,159</u>      | <u>100</u>       | <u>1,709,520</u>      | <u>100</u>       |
| <b>Expenses:</b>                                                             |                       |                  |                       |                  |
| Brokerage fees                                                               | 46,110                | 3                | 39,410                | 3                |
| Brokerage and clearing fees - proprietary trading                            | 2,089                 | -                | 3,264                 | -                |
| Clearing and exchange fees - refinancing                                     | 735                   | -                | 706                   | -                |
| Clearing and exchange fees - underwriting                                    | 786                   | -                | 2,918                 | -                |
| Loss on sale of trading securities - underwriting                            | 1,247                 | -                | -                     | -                |
| Interest expense (Note 5)                                                    | 29,727                | 4                | 37,858                | 2                |
| Loss on valuation of trading securities                                      | -                     | 14               | 307,753               | 18               |
| Loss on covering of borrowed securities and bonds with resale agreements     | 12,522                | -                | -                     | -                |
| Loss on on valuation of borrowed securities and bonds with resale agreements | 30,423                | -                | -                     | -                |
| Stock warrant issuance expense                                               | 14,646                | 1                | 14,467                | 1                |
| Securities commission expense(Note 5)                                        | 468                   | -                | 917                   | -                |
| Loss on derivative financial instruments - futures (Note 4(21))              | 32,472                | -                | -                     | -                |
| Loss on derivative financial instruments - OTC (Note 4(21))                  | 117,475               | -                | -                     | -                |
| Operating expenses (Note 5)                                                  | 1,039,058             | 49               | 765,530               | 45               |
| Other operating expenses                                                     | 4,914                 | -                | 3,640                 | -                |
| Non-operating expenses                                                       | 6,573                 | -                | 1,326                 | -                |
| Investment loss under the equity method (Note 4(5))                          | -                     | 1                | 23,292                | 1                |
|                                                                              | <u>1,339,245</u>      | <u>72</u>        | <u>1,201,081</u>      | <u>70</u>        |
| <b>Continuing operations' income before tax</b>                              | 526,914               | 28               | 508,439               | 30               |
| <b>Income tax expense(Notes 2 and 4(17))</b>                                 | 82,915                | 4                | 114,911               | 7                |
| <b>Net income</b>                                                            | <u>\$ 443,999</u>     | <u>24</u>        | <u>393,528</u>        | <u>23</u>        |
|                                                                              | <u>Before Tax</u>     | <u>After Tax</u> | <u>Before Tax</u>     | <u>After Tax</u> |
| <b>Basic earnings per share (Note 4(20))</b>                                 | <u>\$ 0.22</u>        | <u>0.19</u>      | <u>0.22</u>           | <u>0.17</u>      |
| <b>Basic earnings per share - retroactively stated (Note 4(20))</b>          |                       |                  | <u>0.22</u>           | <u>0.17</u>      |
| <b>Diluted earnings per share (Note 4(20))</b>                               | <u>\$ 0.22</u>        | <u>0.19</u>      | <u>0.22</u>           | <u>0.17</u>      |
| <b>Diluted earnings per share - retroactively stated (Note 4(20))</b>        |                       |                  | <u>0.22</u>           | <u>0.17</u>      |

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

**CAPITAL SECURITIES CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended March 31, 2012 and 2011**  
**(New Taiwan Dollars in Thousands)**

|                                                                                                      | (Unaudited)<br>Jan. 1~ Mar. 31, 2012 | (Unaudited)<br>Jan. 1~ Mar. 31, 2011 |
|------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash flows from operating activities:</b>                                                         |                                      |                                      |
| <b>Net income</b>                                                                                    | \$ 443,999                           | 393,528                              |
| <b>Adjustments to reconcile net income to net cash provided by (used in) operating activities:</b>   |                                      |                                      |
| Depreciation expense                                                                                 | 50,246                               | 32,429                               |
| Amortization                                                                                         | 9,419                                | 6,065                                |
| Amortization of held-to-maturity financial assets - non-current                                      | -                                    | 29                                   |
| Investment loss (gain) under the equity method                                                       | (37,708)                             | 23,292                               |
| Loss (gain) on disposal of premises and property                                                     | 128                                  | -                                    |
| Loss (gain) on disposal of long term investment under equity method                                  | (143)                                | -                                    |
| Loss (gain) on valuation of trading securities                                                       | (283,146)                            | 307,753                              |
| <b>Net changes of operating assets and liabilities:</b>                                              |                                      |                                      |
| <b>Net changes of operating assets:</b>                                                              |                                      |                                      |
| Decrease in financial assets measured at fair value through profit or loss - current                 | 1,251,981                            | 1,129,526                            |
| Increase in bonds purchased under resale agreements                                                  | (1,252,833)                          | (235,979)                            |
| Decrease (increase) in receivable for securities provided as collateral                              | (842,821)                            | 1,637,027                            |
| Decrease in refinancing margin                                                                       | 4,457                                | -                                    |
| Decrease in receivable on refinancing collateral                                                     | 8,948                                | 4,361                                |
| Increase in receivable for securities borrowing and lending                                          | -                                    | (1,217)                              |
| Increase in security borrowing collateral                                                            | (4,063)                              | -                                    |
| Increase in security borrowing margin                                                                | (27,379)                             | (509,698)                            |
| Decrease (increase) in notes receivable                                                              | (95)                                 | 926                                  |
| Decrease (increase) in accounts receivable                                                           | 850,404                              | (49,446)                             |
| Decrease (increase) in prepayments                                                                   | 2,150                                | (16,695)                             |
| Decrease in other receivables                                                                        | 48,875                               | 14,457                               |
| Increase in other financial assets                                                                   | (12)                                 | -                                    |
| Decrease (increase) in pledged assets                                                                | 23,000                               | (600)                                |
| Deferred income tax assets and liabilities, net                                                      | 79,192                               | 114,938                              |
| Increase in available-for-sale financial assets - current                                            | (947,288)                            | -                                    |
| Decrease in other assets                                                                             | 1,978                                | 95                                   |
| Brokerage accounts, net                                                                              | 478,726                              | 108,242                              |
| <b>Changes in operating assets:</b>                                                                  | (324,780)                            | 2,195,937                            |
| <b>Net changes of operating liabilities:</b>                                                         |                                      |                                      |
| Increase (decrease) in bonds sold under repurchase agreements                                        | (1,054,878)                          | 210,675                              |
| Increase (decrease) in financial liabilities measured at fair value through profit or loss - current | 49,374                               | (229,612)                            |
| Decrease in guaranty deposited for securities lent                                                   | (1,124,471)                          | (718,263)                            |
| Decrease in proceeds payable from securities lent                                                    | (1,439,197)                          | (902,353)                            |
| Decrease in securities lending refundable deposits                                                   | (1,312,752)                          | (356,589)                            |
| Decrease in notes payable                                                                            | (394)                                | (736)                                |
| Increase (decrease) in accounts payable                                                              | 976,919                              | (104,500)                            |
| Increase (decrease) in advance receipts                                                              | (8,308)                              | 4,437                                |
| Increase (decrease) in receipts under custody                                                        | 16,249                               | (18,379)                             |
| Decrease in other payables                                                                           | (729,888)                            | (304,739)                            |
| Increase in accrued pension liabilities - non-current                                                | 377                                  | 4,990                                |
| Increase (decrease) in other financial liabilities                                                   | (1,096,136)                          | 900,431                              |
| Decrease in guarantee deposits received                                                              | (389)                                | -                                    |
| Increase (decrease) in other liabilities                                                             | (33,039)                             | -                                    |
| <b>Changes in operating liabilities:</b>                                                             | (5,756,533)                          | (1,514,638)                          |
| <b>Net cash provided by (used in) operating activities</b>                                           | (5,898,518)                          | 1,444,395                            |

**CAPITAL SECURITIES CORPORATION**  
**STATEMENTS OF CASH FLOWS (CONT'D)**  
**Years Ended Mar. 31, 2012 and 2011**  
**(New Taiwan Dollars in Thousands)**

|                                                                               | (Unaudited)<br>Jan. 1~ Mar. 31, 2012 | (Unaudited)<br>Jan. 1~ Mar. 31, 2011 |
|-------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash flows from investing activities:</b>                                  |                                      |                                      |
| Repayment from maturity of held-to-maturity financial assets                  | \$ 290,000                           | -                                    |
| Purchase of long term investments under the equity method                     | -                                    | (146)                                |
| Proceeds from capital reduction of investments under the equity method        | 3,459                                | -                                    |
| Purchase of premises and property                                             | (11,777)                             | (27,639)                             |
| Increase in guaranty deposited for business operations                        | (294,067)                            | (17,750)                             |
| Decrease in settlement fund                                                   | 240,595                              | 13,424                               |
| Decrease (increase) in refundable deposits                                    | (1,043)                              | 781                                  |
| Purchase of deferred debits                                                   | (551)                                | (6,023)                              |
| Increase in deferred pension cost                                             | -                                    | (4,742)                              |
| <b>Net cash provided by (used in) investing activities</b>                    | <b>226,616</b>                       | <b>(42,095)</b>                      |
| <b>Cash flows from financing activities:</b>                                  |                                      |                                      |
| Increase in short-term borrowings                                             | 1,664,000                            | 811,973                              |
| Increase (decrease) in commercial paper payable                               | 1,699,160                            | (859,587)                            |
| Increase in long-term borrowings                                              | 100,052                              | -                                    |
| Reimburse in long-term borrowings                                             | -                                    | (1,684,996)                          |
| <b>Net cash provided by (used in) financing activities</b>                    | <b>3,463,212</b>                     | <b>(1,732,610)</b>                   |
| Decrease in cash and cash equivalents                                         | (2,208,690)                          | (330,310)                            |
| Cash and cash equivalents, beginning of the year                              | 2,919,372                            | 1,343,507                            |
| <b>Cash and cash equivalents, end of this period</b>                          | <b>\$ 710,682</b>                    | <b>1,013,197</b>                     |
| <b>Supplemental disclosures of cash flows information:</b>                    |                                      |                                      |
| Cash paid during the three months period for interest                         | <b>\$ 28,802</b>                     | <b>37,566</b>                        |
| Cash paid during the three months period for income taxes                     | <b>\$ 574,607</b>                    | <b>-</b>                             |
| <b>Material item not affecting investing and financing activities</b>         |                                      |                                      |
| Long-term liabilities - current portion                                       | <b>\$ 100,000</b>                    | <b>-</b>                             |
| Account receivable of proceeds from capital reduction of long term investment | <b>\$ 89,928</b>                     | <b>-</b>                             |

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