

MITAC INTERNATIONAL CORP.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MAR. 31, 2003 AND 2002
(Figures in thousand of New Taiwan Dollors)

	1Q 2003	1Q 2002
<u>Cash Flows from Operating Activities :</u>		
Net income	\$ 175,431	\$ 431,467
Depreciation	65,327	86,959
Amortization	49,022	9,553
Long -term investment income accounted for under equity method	(95,103)	(250,722)
Gain on disposal of investments	(51,092)	(278,110)
Gain on disposal of fixed assets	(231)	(995)
Changes in assets and liabilities	(526,526)	(381,678)
Net Cash Flows Used in Operating Activities	(383,172)	(383,526)
<u>Cash Flows from Investing Activities :</u>		
Increase in marketable securities ,net	(236,468)	(480,846)
Proceeds from disposal of Long-term investments	207,810	473,418
Increase in Long -term investments	0	(184,681)
Acquisition of fixed assets	(13,093)	(19,410)
Proceeds from disposal of fixed assets	1,556	6,199
Increase in deferred charges	(51,573)	(46,404)
Increase in other assets,net	0	(2,033)
Decrease in refundable deposits,net	1,005	3,249
Net Cash Flows Used in Investing Activities	(90,763)	(250,508)
<u>Cash Flows from Financing Activities :</u>		
Increase in short-term debts,net	326,274	250,471
Net Cash Flows provided by FinancingActivities	326,274	250,471
Net decrease in Cash and Cash Equivalents	(147,661)	(383,563)
Cash and Cash Equivalents at beginning of year	329,740	813,864
Cash and Cash Equivalents at end of year	\$ 182,079	\$ 430,301

*Have been reviewed by external auditor