

# TAIPEI EXCHANGE

## STATEMENT OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018 (In New Taiwan Dollars)

Actual Amount of Prior Year	Accounts	Final Budget Amount of Current Year (1)	Actual Amount of Current year (2)	Variance with Final Budget Positive (Negative)	
				Amount (3)=(2)-(1)	% (4)=(3)/(1)*100
1,995,387,860	<b>TOTAL REVENUES</b>	1,755,343,000	2,199,199,436	443,856,436	25.29%
1,909,150,921	Operating revenues	1,689,051,000	2,114,443,094	425,392,094	25.19%
86,236,939	Non-operating revenues	66,292,000	84,756,342	18,464,342	27.85%
1,525,584,659	<b>TOTAL EXPENSES</b>	1,611,159,000	1,619,349,824	8,190,824	0.51%
1,518,239,483	<b>Operating expenses</b>	1,611,159,000	1,615,786,126	4,627,126	0.29%
615,077,969	Personnel expenses	650,518,000	621,071,539	(29,446,461)	-4.53%
903,161,514	Business expenses	960,641,000	994,714,587	34,073,587	3.55%
7,345,176	<b>Non-operating expenses</b>	-	3,563,698	3,563,698	N/A
69,696,180	INCOME TAX EXPENSE (BENEFIT)	13,580,000	99,907,379	86,327,379	635.69%
400,107,021	SURPLUS AFTER INCOME TAX	130,604,000	479,942,233	349,338,233	267.48%
3,772,152	Other comprehensive income (Note)	-	9,011,238	9,011,238	N/A
403,879,173	TOTAL COMPREHENSIVE INCOME	130,604,000	488,953,471	358,349,471	274.38%

Note: Details of other comprehensive income.

Actual Amount of Prior Year	Accounts	Final Budget Amount of Current Year	Actual Amount of Current Year	Variance with Final Budget
(7,080,716)	Remeasurement of defined benefit plans	-	6,508,197	13,588,913
-	Unrealized gain on investments in equity instruments designated as at fair value through other comprehensive income	-	2,503,041	2,503,041
10,852,868	Unrealized gain on available-for-sale financial assets	-	-	(10,852,868)
3,772,152		-	9,011,238	5,239,086

# TAIPEI EXCHANGE

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2018 (In New Taiwan Dollars)

Items	Final Budget Amount of Current Year (1)	Actual Amount of Current Year (2)	Variance with Final Budget Positive (Negative)	
			Amount (3)=(2)-(1)	% (4)=(3)/(1)*100
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Surplus before income tax	144,184,000	579,849,612	435,665,612	302.16%
Adjustments for non-cash items				
Expected credit impairment reversal gains	0	(507,740)	(507,740)	N/A
Depreciation expenses	40,788,000	35,881,642	(4,906,358)	-12.03%
Amortization expenses	37,677,000	27,437,838	(10,239,162)	-27.18%
Finance income	(64,303,000)	(72,584,425)	(8,281,425)	12.88%
Dividend income	(359,000)	(1,126,275)	(767,275)	213.73%
Finance expenses	0	67,616	67,616	N/A
Net loss on fair value change of financial assets at fair value through profit or loss	0	3,433,923	3,433,923	N/A
Net loss on disposal of property and equipment	0	23,286	23,286	N/A
Unrealized gain on foreign currency exchange	0	(12,573,616)	(12,573,616)	N/A
Defined benefit cost	0	74,160,036	74,160,036	N/A
<b>Changes in operating assets and liabilities</b>				
Notes and accounts receivable	9,904,000	7,809,125	(2,094,875)	-21.15%
Other financial assets	(132,632,000)	(506,952,574)	(374,320,574)	282.22%
Other current assets	8,701,000	(3,139,907)	(11,840,907)	-136.09%
Accounts payable	(2,763,000)	(6,138,931)	(3,375,931)	122.18%
Other payables	(20,252,000)	12,817,886	33,069,886	-163.29%
Other current liabilities	(2,689,000)	(9,022,612)	(6,333,612)	235.54%
Net defined benefit liabilities	4,464,000	(87,827,297)	(92,291,297)	-2,067.46%
Cash generated from operations	22,720,000	41,607,587	18,887,587	83.13%
Interest received	63,131,000	67,111,673	3,980,673	6.31%
Dividends received	359,000	1,126,275	767,275	213.73%
Income tax paid	(61,210,000)	(69,384,067)	(8,174,067)	13.35%
Net cash generated from operating activities	25,000,000	40,461,468	15,461,468	61.85%
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of financial assets at amortized cost	200,000,000	(400,000,000)	(600,000,000)	-300.00%
Purchase of financial assets at fair value through other comprehensive income	0	(440)	(440)	N/A

(Continued)

Items	Final Budget Amount of Current Year  (1)	Actual Amount of Current Year  (2)	Variance with Final Budget Positive (Negative)	
			Amount (3)=(2)-(1)	% (4)=(3)/(1)*100
Purchase of financial assets at fair value through profit or loss	(130,400,000)	(37,566,305)	92,833,695	-71.19%
Proceeds from disposal of financial assets at fair value through profit or loss	0	116,675,292	116,675,292	N/A
Proceeds from disposal of Financial assets at amortized cost	0	300,000,000	300,000,000	N/A
Proceeds from disposal of financial assets at fair value through other comprehensive income	0	30,430,600	30,430,600	N/A
Payments for property and equipment	(38,300,000)	(4,027,500)	34,272,500	-89.48%
Increase in prepayments of equipment	(12,800,000)	(30,705,200)	(17,905,200)	139.88%
Proceeds from disposal of property and equipment	0	1,500	1,500	N/A
Decrease (increase) in refundable deposits	0	32,198	32,198	N/A
Increase in other assets	0	(14,195,000)	(14,195,000)	N/A
Net cash generated from (used in) investing activities	18,500,000	(39,354,855)	(57,854,855)	-312.73%
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (decrease) in guarantee deposits	0	1,259,210	1,259,210	N/A
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>43,500,000</b>	<b>2,365,823</b>	<b>(41,134,177)</b>	<b>-94.56%</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>140,568,000</b>	<b>235,826,044</b>	<b>95,258,044</b>	<b>67.77%</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>184,068,000</b>	<b>238,191,867</b>	<b>54,123,867</b>	<b>29.40%</b>

(Concluded)

# TAIPEI EXCHANGE

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2018 (In New Taiwan Dollars)

Accounts	Balance at January 1, 2018	Changes in Current Year		Balance at December 31, 2018	Explanation
		Increase	Decrease		
<b>Funds</b>	<b>4,792,649,506</b>	<b>392,104,881</b>	<b>0</b>	<b>5,184,754,387</b>	
Initial fund	345,450,000	0	0	345,450,000	
Donated fund	5,000,000	0	0	5,000,000	
Surplus transferred to fund	4,442,199,506	392,104,881	0	4,834,304,387	According to per 26 April 2018 Letter No. Financial-Supervisory-Securities-Trading-107010524 of the Financial Supervisory Commission, surplus transferred to fund.
<b>Accumulated Surplus</b>	<b>587,566,364</b>	<b>521,655,866</b>	<b>392,104,881</b>	<b>717,117,349</b>	
Balance at January 1, 2018	587,566,364	0	0	587,566,364	
Effect of retrospective application	0	35,205,436	0	35,205,436	The impact on accumulated surplus as of January 1, 2018 from the initial application of IFRS9.
Accumulated Surplus transferred to fund	0	0	392,104,881	(392,104,881)	
Surplus for the year ended December 31, 2018	0	479,942,233	0	479,942,233	The amount transferred from surplus for the year ended December 31, 2018.
Other comprehensive income for the year ended December 31, 2018	0	6,508,197	0	6,508,197	The amount transferred from "Remeasurement of defined benefit plans" of statement of revenue and expenditures.
<b>Other Net Assets</b>	<b>34,617,306</b>	<b>2,503,041</b>	<b>44,659,922</b>	<b>(7,539,575)</b>	
Unrealized loss on investments in financial asset at fair value through other comprehensive income	0	0	10,042,616	(10,042,616)	The impact as of January 1, 2018 from the initial application of IFRS9.
Unrealized gain on available-for-sale financial assets	34,617,306	0	34,617,306	0	The impact as of January 1, 2018 from the initial application of IFRS9.
Other comprehensive income for the year ended December 31, 2018	0	2,503,041	0	2,503,041	The amount transferred from "Unrealized gain on investments in financial asset at fair value through other comprehensive income" of statement of revenue and expenditures.
<b>Total</b>	<b>5,414,833,176</b>	<b>916,263,788</b>	<b>436,764,803</b>	<b>5,894,332,161</b>	

# TAIPEI EXCHANGE

## BALANCE SHEET DECEMBER 31, 2018 (In New Taiwan Dollars)

Accounts	Actual Amount of Current Year (1)	Actual Amount of Prior Year (2)	Variance with Prior Year Positive (Negative)	
			Amount (3)=(1)-(2)	% (4)=(3)/(2)*100
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	238,191,867	235,826,044	2,365,823	1.00%
Held-to-maturity financial assets	-	300,000,000	(300,000,000)	-100.00%
Financial assets at amortized cost	399,468,425	-	399,468,425	N/A
Other financial assets	4,091,475,073	3,571,948,883	519,526,190	14.54%
Notes and accounts receivable	97,697,452	105,657,757	(7,960,305)	-7.53%
Other current assets	46,362,696	37,750,037	8,612,659	22.81%
Securities settlements debit	9,089,396,455	6,352,980,860	2,736,415,595	43.07%
Total current assets	13,962,591,968	10,604,163,581	3,358,428,387	31.67%
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss	35,111,520	-	35,111,520	N/A
Financial assets at fair value through other comprehensive income	43,501,443	-	43,501,443	N/A
Available-for-sale financial assets	-	130,524,891	(130,524,891)	-100.00%
Held-to-maturity financial assets	-	1,100,000,000	(1,100,000,000)	-100.00%
Financial assets at amortized cost	1,098,950,444	-	1,098,950,444	N/A
Financial assets measured at cost	-	65,772,536	(65,772,536)	-100.00%
Special securities settlement fund	400,000,000	400,000,000	-	0.00%
Default damage fund	122,289,797	122,289,797	-	0.00%
Property and equipment	63,129,931	72,854,991	(9,725,060)	-13.35%
Prepayments for equipment	7,124,500	-	7,124,500	N/A
Refundable deposits	15,042,048	15,074,246	(32,198)	-0.21%
Other assets	29,489,045	42,227,480	(12,738,435)	-30.17%
Total non-current assets	1,814,638,728	1,948,743,941	(134,105,213)	-6.88%
<b>TOTAL</b>	<b>15,777,230,696</b>	<b>12,552,907,522</b>	<b>3,224,323,174</b>	<b>25.69%</b>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	31,389,227	37,528,158	(6,138,931)	-16.36%
Other payables	302,100,342	289,282,456	12,817,886	4.43%
Current tax liabilities	101,645,211	72,565,003	29,080,208	40.07%
Other current liabilities	85,987,589	95,010,201	(9,022,612)	-9.50%
Securities settlements credit	9,089,396,455	6,352,980,860	2,736,415,595	43.07%
Total current liabilities	9,610,518,824	6,847,366,678	2,763,152,146	40.35%
NON-CURRENT LIABILITIES				
Deferred tax liabilities	520,675	-	520,675	N/A
Net defined benefit liabilities	249,229,598	269,405,056	(20,175,458)	-7.49%
Provisions	6,569,185	6,501,569	67,616	1.04%

(Continued)

Accounts	Actual Amount of Current Year (1)	Actual Amount of Prior Year (2)	Variance with Prior Year Positive (Negative)	
			Amount (3)=(1)-(2)	% (4)=(3)/(2)*100
Guarantee deposits	16,060,253	14,801,043	1,259,210	8.51%
Total non-current liabilities	272,379,711	290,707,668	(18,327,957)	-6.30%
<b>TOTAL LIABILITIES</b>	<b>9,882,898,535</b>	<b>7,138,074,346</b>	<b>2,744,824,189</b>	<b>38.45%</b>
<b>FUNDS AND NET ASSETS</b>				
Funds	5,184,754,387	4,792,649,506	392,104,881	8.18%
Accumulated surplus	717,117,349	587,566,364	129,550,985	22.05%
Other net assets				
Unrealized gain on available-for-sale financial assets	-	34,617,306	(34,617,306)	-100.00%
Unrealized loss on investments in financial assets at fair value through other comprehensive income	(7,539,575)	-	(7,539,575)	N/A
<b>TOTAL FUNDS AND NET ASSETS</b>	<b>5,894,332,161</b>	<b>5,414,833,176</b>	<b>479,498,985</b>	<b>8.86%</b>
<b>TOTAL</b>	<b>15,777,230,696</b>	<b>12,552,907,522</b>	<b>3,224,323,174</b>	<b>25.69%</b>

(Concluded)