

MIRA INFORM REPORT

Report No. :	527170
Report Date :	28.08.2018

IDENTIFICATION DETAILS

Name :	WALSIN LIHWA CORPORATION
Registered Office :	25F., No.1, Songzhi Rd., Xinyi Dist., Taipei 110
Country :	Taiwan
Financials (as on) :	31.12.2017
Date of Incorporation :	01.12.1966
Com. Reg. No.:	35412204
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and Sales of Cable.
No. of Employees :	About 3,500 Employees (Taiwan) About 6,500 Employees (Group)

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES:

Any query related to this report can be made on e-mail: infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Taiwan	A1	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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TAIWAN - ECONOMIC OVERVIEW

Taiwan has a dynamic capitalist economy that is driven largely by industrial manufacturing, and especially exports of electronics, machinery, and petrochemicals. This heavy dependence on exports exposes the economy to fluctuations in global demand. Taiwan's diplomatic isolation, low birth rate, rapidly aging population, and increasing competition from China and other Asia Pacific markets are other major long-term challenges.

Following the landmark Economic Cooperation Framework Agreement (ECFA) signed with China in June 2010, Taiwan in July 2013 signed a free trade deal with New Zealand - Taipei's first-ever with a country with which it does not maintain diplomatic relations - and, in November of that year, inked a trade pact with Singapore. However, follow-on components of the ECFA, including a signed agreement on trade in services and negotiations on trade in goods and dispute resolution, have stalled. In early 2014, the government bowed to public demand and proposed a new law governing the oversight of cross-Strait agreements, before any additional deals with China are implemented; the legislature has yet to vote on such legislation, leaving the future of ECFA uncertain. President TSAI since taking office in May 2016 has promoted greater economic integration with South and Southeast Asia through the New Southbound Policy initiative and has also expressed interest in Taiwan joining the Trans-Pacific Partnership as well as bilateral trade deals with partners such as the US. These overtures have likely played a role in increasing Taiwan's total exports, which rose 11% during the first half of 2017, buoyed by strong demand for semiconductors.

Taiwan's total fertility rate of just over one child per woman is among the lowest in the world, raising the prospect of future labor shortages, falling domestic demand, and declining tax revenues. Taiwan's population is aging quickly, with the number of people over 65 expected to account for nearly 20% of the island's total population by 2025.

The island runs a trade surplus with many economies, including China and the US, and its foreign reserves are the world's fifth largest, behind those of China, Japan, Saudi Arabia, and Switzerland. In 2006, China overtook the US to become Taiwan's second-largest source of imports after Japan. China is also the island's number one destination for foreign direct investment. Taiwan since 2009 has gradually loosened rules governing Chinese investment and has also secured greater market access for its investors on the mainland. In August 2012, the Taiwan Central Bank signed a memorandum of understanding (MOU) on cross-Strait currency settlement with its Chinese counterpart. The MOU allows for the direct settlement of Chinese renminbi (RMB) and the New Taiwan dollar across the Strait, which has helped Taiwan develop into a local RMB hub.

Closer economic links with the mainland bring opportunities for Taiwan's economy but also pose challenges as political differences remain unresolved and China's economic growth is slowing. President TSAI's administration has made little progress on the domestic economic issues that loomed large when she was elected, including concerns about stagnant wages, high housing prices, youth unemployment, job security, and financial security in retirement. TSAI has made more progress on boosting trade with South and Southeast Asia, however, which may help insulate Taiwan's economy from a fall in mainland demand should China's growth slow in 2018.

Source : CIA

CONTACT POINTS

Company Name: Walsin Lihwa Corporation
Supplied Name: Walsin Lihwa Corp
Trading Address: 25F., No.1, Songzhi Rd., Xinyi Dist., Taipei 110 Taiwan
Supplied Address: Yenshui Plant: NO. 3-10, Shi Jou Liau, Chin Shuei Li,
Yenshui, Dist. Tainan City 73743,
Telephone Number: +886-2-8726-2211
Fax Number: +886-2-2720-2234

Notes: The supplied address belongs to subject's Yenshui Plant, the accurate name and addresses are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Walsin Lihwa Corporation
Registered Address: 25F., No.1, Songzhi Rd., Xinyi Dist., Taipei 110 Taiwan
Date of Foundation: 1966-12-01
Registration Number: 35412204
Registry: Department of Commerce, Ministry of Economic Affairs,
R.O.C.
Registered Capital: NTD 65,000,000,000 (USD 1,950,000,000)
(As of 2018.4, 1 NTD = 0.03 USD)
Paid-up Capital: NTD 33,960,002,580 (USD 1,018,800,077)
Legal Representatives: Youlun Jiao
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sales of cable, etc.
Staff: About 3,500 Employees (Taiwan)
About 6,500 Employees (Group)
Listed at Stock Exchange: Yes; Stock Code: 1605
Date of Last Annual Return: 2017-12-18

HISTORY

Subject was incorporated on 1966-12-01 with registered number 35412204 as Joint Stock Company in Taiwan.

Subject listed on Taiwan Stock Exchange on 1972-11-03.

CORPORATE STRUCTURE

Factories

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1

Name: Taichung Stainless Steel Plant
Address: No.57, Jing 3rd Rd., Wuqi Dist., Taichung City 435, Taiwan
Date of Registration: 2013-02-01
Factory Registration Number: 90C00057
Factory Manager: Xiongcheng Chen
Status: In Production
Date of Last Annual Return: 2017-10-17
Major Products: 254 metal treatment

2

Name: Xinzhuang 2nd Factory
Address: No. 256, Xinshu Rd., Xinzhuang Dist., New Taipei City, Taiwan
Date of Foundation: 1969-01-01
Date of Registration: 1974-12-31
Factory Registration Number: 99601304
Factory Manager: Jinren Lv
Status: In Production
Date of Last Annual Return: 2008-11-07
Major Products: 281 Electricity generation and transmission power machinery
283 Cables and wiring accessories
289 Other electric power equipment
272 Communications equipment
275 Measure, navigation, control, equipment and clock

3

Name: Xinzhuang 1st Factory
Address: No. 397, Xinshu Rd., Xinzhuang Dist., New Taipei City, Taiwan
Date of Foundation: 1969-01-01
Date of Registration: 1969-12-05
Factory Registration Number: 99601389
Factory Manager: Jinren Lv
Status: In Production
Date of Last Annual Return: 2008-11-10
Major Products: 281 Electricity generation and transmission power machinery
283 Cables and wiring accessories
289 Other electric power equipment
259 Other metal products
293 General machinery equipment
220 Rubber products
272 Communications equipment
275 Measure, navigation, control, equipment and clock

Telephone Number: +886-2-2202-9121

Fax Number: +886-2-2202-8777

4

Name: Yangmei Factory
Address: No. 566, Gaoshi Rd., Gaoshan Li, Yangmei City, Taoyuan County,
Taiwan
Date of Foundation: 1986-09-30
Date of Registration: 1988-06-02
Factory Registration Number: 99622164

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Factory Manager: Changing Wu
Status: In Production
Date of Last Annual Return: 2014-07-18
Major Products: 241 Steel
251 Metal hand tools and molds
262 Electronic Passive Component
269 Other electronic parts
275 Measure, navigation, control, equipment and clock
277 Optical instruments and equipment
332 Medical Equipment & Product
242 Aluminum
243 Cooper
249 Other basic metals
Telephone Number: +886-3-478-6171/886-3-288-9668
Fax Number: +886-3-475-9764/886-3-288-9633
5
Name: Yen Shui Plant
Address: Block A, No. 3-10, Shi Jou Liao, Chin Shuei Li, Yenshui Dist., Tainan
City, Taiwan
Date of Foundation: 1990-06-12
Date of Registration: 1994-10-11
Factory Registration Number: 99657714
Factory Manager: Tianrong Chen
Status: In Production
Date of Last Annual Return: 2016-08-15
Major Products: 241 Steel and iron
Telephone Number: +886- 6-652-0911/0929
Fax Number: +886- 6-652-0933/0931

Branch

Registered Name: Walsin Lihwa Corporation, Taichung Branch Office
Registered Address: No.57, Jing 3rd Rd., Wuqi Dist., Taichung City 435, Taiwan (R.O.C.)
Registered No.: 53661508
Date of Registration: 2012-11-28
Status: Active
Manager Name: Hongsheng Xu
Date of Last Annual Return: 2016-08-17

Major Related Companies

1. Winbond Electronics Corporation
2. Walsin Technology Corporation
3. HannStar Board Corporation
4. HannStar Display Corporation
5. HannStar Display Corporation
6. Walsin China Investment Co., Ltd.
7. Jiang ying Walsin Steel Cable Co., Ltd.
8. Hang zhou Walsin Power Cable & Wire Co., Ltd.
9. Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.
10. Dong guan Walsin Wire & Cable Ltd.

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11. Chang shu Walsin Specialty Steel Co., Ltd.
12. Shanghai Baihe Walsin Lihwa Specialty Steel Products Co., Ltd.
13. Nan jing Walsin Metal Co., Ltd.
14. Walsin Precision Technology Sdn. Bhd.
15. Xi'an Walsin United Technology Co., Ltd.
16. Yantai Walsin Stainless Steel Co., Ltd.

Notes: The major related company information is obtained from public files.

SHAREHOLDERS

Major Shareholders

Name	Subscription Shares
Youlun Jiao	45,961,773
Youhui Jiao	91,969,006
Youjun Jiao	39,508,661
Youheng Jiao	57,912,197
Huiming Zheng	1,000,000
Weixin Ma	244,033

MANAGEMENT INFORMATION

Core Management

Directors

1

Name	Youlun Jiao
Position	Board Chairman

2

Name	Youhui Jiao
Position	Director

3

Name	Youjun Jiao
Position	Director

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Name Youheng Jiao
Position Director

5

Name Huiming Zheng
Position Director

6

Name Weixin Ma
Position Director

7

Name Dongyi Zhan
Position Director

8

Name Ruilong Chen
Position Independent Director

9

Name Mingling Cai
Position Independent Director

10

Name Jinling Du
Position Independent Director

11

Name Xiangzhong Chen
Position Independent Director

12

Name Zhenqiang Chen
Position Manager

Date of Appointment 2010-05-01

13

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Name Tianrong Chen

Position Manager

Date of Appointment 2012-08-28

14

Name Jinren Lv

Position Manager

Date of Appointment 2014-08-13

15

Name Dongben Lin

Position Manager

Date of Appointment 2010-05-01

16

Name Zhicheng Liao

Position Manager

Date of Appointment 2014-08-13

17

Name Wenhui Pan

Position Manager

Date of Appointment 2010-05-01

18

Name Ruilong Chen

Position Manager

Date of Appointment 2010-07-01

19

Name Huiming Zheng

Position Manager

Date of Appointment 2011-04-28

20

Name Zhenxiong Liu

Position	Manager
Date of Appointment	2017-5-15
21	
Name	Shiming Wang
Position	Manager
Date of Appointment	2017-8-4
22	
Name	Jisheng Niu
Position	Manager
Date of Appointment	2017-12-4

Personnel Structure

Total Employees	About 3,500 Employees (Taiwan) About 6,500 Employees (Group)
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OPERATION INFORMATION

Offices & Factories

Add	Headquarters 25F., No.1, Songzhi Rd., Xinyi Dist., Taipei 110 Taiwan
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Production Information

Subject is engaged in manufacturing of cable, etc.
Subject has 5 factories in Taiwan for production.
It is introduced that subject's annual capacity of copper is about 650,000 tons.

Purchase Information

The registered activities of subject:

Business Code	Details
H701010	Development of rental housing and building industry
E601010	Electrical appliance installation industry
ZZ99999	Besides licensed business, all other business items those are not banned or restricted.

The raw materials for production are purchased from Taiwan, the mainland of China, South Africa, Japan, USA, etc.

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Sales Information

Subject is engaged in sale of cable, etc.

The major products are copper wire, power wire, communication cable, stainless steel wire, stainless steel straight bar and steel cable, etc.

It is introduced that subject's business was divided into 4 parts, the power wire and cable business produces copper as well as communication and power cables, the specialty steel business manufactures billets and slabs, wire rods, straight bars, seamless pipes and tubes, the green photonics business focuses on green energy, LED, and solar power, pursuing R&D and technology independence to develop new generation, alternative lighting sources and products, and the real estate business targets the business opportunities resulting from the Economic Cooperation Framework Agreement signed between Mainland China and Taiwan.

Subject's sales regions include domestic market, Southeast Asia and America, etc.

Subject's major customers are manufacturers of electronics and machinery, etc.

Import and export right:

Import right	Yes
Export right	Yes

SETTLEMENTS

Purchase

Domestic Purchase

Products	Raw materials, etc.
Payment Terms	T/T, Cash, etc.

Import

Products	Raw materials, etc.
Payment Terms	L/C, T/T, etc.

Sales

Domestic Markets

Product	Cable, etc.
Selling Terms	T/T, Cash, etc.

Export

Product	Cable, etc.
Selling Terms	L/C, T/T, etc.

BALANCE SHEET

Unit: NTD/000

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Consolidated	2017-12-31	2016-12-31
Assets		
Current assets		
Cash and cash equivalents		
Total cash and cash equivalents	10,952,691	7,733,584
Current financial assets at fair value through profit or loss		
Total current financial assets at fair value through profit or loss	129,615	506,651
Current derivative financial assets for hedging	7,430	0
Current bond investment without active market		
Total Current investments in debt instrument without active market	1,459,958	1,440,569
Notes receivable, net		
Notes receivable, net	5,712,204	5,021,816
Accounts receivable, net		
Accounts receivable	9,090,763	8,727,999
Lease payments receivable	50,758	49,085
Accounts receivable, net	9,141,521	8,777,084
Other receivables		
Other receivables, net	488,554	659,673
Inventories		
Total inventories	32,297,139	27,124,688
Prepayments		
Prepaid rents	62,230	65,071
Total prepayments	62,230	65,071
Non-current assets or disposal groups classified as held for sale, net		
Non-current assets or disposal groups classified as held for sale, net	0	395,540
Other current assets		
Other current financial assets	1,401,866	2,265,139
Other current assets, others	1,999,226	1,366,890
Total other current assets	3,401,092	3,632,029
Total current assets	63,652,434	55,356,705
Non-current assets		
Non-current available-for-sale financial assets		
Non-current available-for-sale financial assets, net	3,702,495	2,990,945
Non-current financial assets at cost		
Non-current financial assets at cost, net	2,509,320	1,847,079
Investments accounted for using equity method		

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Investments accounted for using equity method, net	25,210,753	19,200,762
Property, plant and equipment		
Total property, plant and equipment	20,984,890	20,483,863
Investment property, net		
Investment property, net	10,406,246	10,655,622
Intangible assets		
Total intangible assets	169,726	177,029
Deferred tax assets	1,222,430	1,011,129
Other non-current assets		
Guarantee deposits paid	186,507	184,148
Long-term notes and accounts receivable		
Long-term notes and accounts receivable, net	883,480	934,238
Long-term prepaid rents	1,161,364	1,208,657
Other non-current assets, others		
Total other non-current assets, others	161,100	129,037
Total other non-current assets	2,392,451	2,456,080
Total non-current assets	66,598,311	58,822,509
Total assets	130,250,745	114,179,214
Liabilities and equity		
Liabilities		
Current liabilities		
Short-term borrowings		
Total short-term borrowings	6,815,772	4,194,335
Current financial liabilities at fair value through profit or loss		
Total current financial liabilities at fair value through profit or loss	27,710	2,162
Notes payable		
Total notes payable	446,655	482,306
Accounts payable		
Total accounts payable	9,243,642	7,736,777
Other payables		
Other payables, others	3,635,500	3,249,467
Total other payables	3,635,500	3,249,467
Current tax liabilities	3,147,811	1,619,577
Other current liabilities		
Advance receipts		
Advance real estate receipts	10,323,447	7,067,356
Total advance receipts	10,323,447	7,067,356
Long-term liabilities, current portion		

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Total long-term liabilities,	171,438	7,021,864
current portion		
Other current liabilities,	806,194	986,940
others		
Total other current liabilities	11,301,079	15,076,160
Total current liabilities	34,618,169	32,360,784
Non-current liabilities		
Long-term borrowings		
Total long-term borrowings	21,950,366	15,293,975
Deferred tax liabilities		
Total deferred tax liabilities	168,512	164,075
Other non-current liabilities		
Net defined benefit liability,	868,311	817,218
non-current		
Other non-current liabilities,	365,131	261,157
others		
Total other non-current	1,233,442	1,078,375
liabilities		
Total non-current liabilities	23,352,320	16,536,425
Total liabilities	57,970,489	48,897,209
Equity		
Equity attributable to owners of		
parent		
Share capital		
Ordinary share	33,660,002	33,960,002
Total capital stock	33,660,002	33,960,002
Capital surplus		
Total capital surplus	15,854,392	15,701,403
Retained earnings		
Legal reserve	3,281,556	2,824,743
Special reserve	2,712,250	2,712,250
Unappropriated retained		
earnings (accumulated deficit)		
Total unappropriated	13,240,574	9,674,226
retained earnings (accumulated deficit)		
Total retained earnings	19,234,380	15,211,219
Other equity interest		
Exchange differences on		
translation of foreign financial		
statements		
Total exchange	-2,944,758	-2,110,122
differences on translation of foreign		
financial statements		
Unrealized gains (losses)		
on available-for-sale financial assets		
Total unrealized gains	5,042,894	1,225,921
(losses) on available-for-sale financial		
assets		
Gains (losses) on effective		

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portion of cash flow hedges		
Total gains (losses) on	-7,529	-13,671
effective portion of cash flow hedges		
Total other equity interest	2,090,607	-897,872
Treasury shares	315,918	608,810
Total equity attributable to	70,523,463	63,365,942
owners of parent		
Non-controlling interests	1,756,793	1,916,063
Total equity	72,280,256	65,282,005
Total liabilities and equity	130,250,745	114,179,214
Equivalent issue shares of	0	0
advance receipts for ordinary share		
Number of shares in entity held by	40,000,000	70,000,000
entity and by its subsidiaries		

PROFIT AND LOSS ACCOUNT

Unit: NTD/000		
Consolidated	2017	2016
Operating revenue		
Total operating revenue	167,792,585	143,355,241
Operating costs		
Total operating costs	155,787,754	133,790,834
Gross profit (loss) from operations	12,004,831	9,564,407
Unrealized profit (loss) from sales	0	966
Gross profit (loss) from operations	12,004,831	9,563,441
Operating expenses		
Selling expenses		
Total selling expenses	1,722,346	1,949,275
Administrative expenses		
Total administrative expenses	2,314,407	2,260,111
Research and development		
expenses		
Total research and development	72,433	32,281
expenses		
Total operating expenses	4,109,186	4,241,667
Net operating income (loss)	7,895,645	5,321,774
Non-operating income and expenses		
Other income		
Interest income		
Total interest income	331,982	312,209
Dividend income	167,634	21,585
Other income, others	63,647	145,048
Total other income	563,263	478,842
Other gains and losses		
Gains on disposals of property,	60,284	275,150
plant and equipment		

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Gains on disposals of investments	-260,608	182,212
Foreign exchange gains	-17,907	73,517
Gains on financial assets (liabilities) at fair value through profit or loss	-23,734	-91,062
Miscellaneous disbursements	326,459	277,683
Impairment loss		
Total impairment loss	67	454,262
Other gains and losses, net	-568,491	-292,128
Finance costs		
Interest expense	512,995	322,983
Finance costs, net	512,995	322,983
Share of profit (loss) of associates and joint ventures accounted for using equity method		
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	2,017,026	987,866
Total non-operating income and expenses	1,498,803	851,597
Profit (loss) from continuing operations before tax	9,394,448	6,173,371
Tax expense (income)		
Total tax expense (income)	2,700,435	1,334,868
Profit (loss) from continuing operations	6,694,013	4,838,503
Profit (loss)	6,694,013	4,838,503
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss		
Gains (losses) on remeasurements of defined benefit plans	-150,736	-3,204
Components of other comprehensive income that will not be reclassified to profit or loss	-150,736	-3,204
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation	-757,920	-3,167,556
Unrealised gains (losses) on valuation of available-for-sale financial assets	724,447	1,349,020
Gains (losses) on effective portion of cash flow hedges	6,142	75,647
Share of other comprehensive		

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income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss

Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	2,964,786	1,506,397
Components of other comprehensive income that will be reclassified to profit or loss	2,937,455	-236,492
Other comprehensive income, net	2,786,719	-239,696
Total comprehensive income	9,480,732	4,598,807
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	6,559,984	4,568,125
Profit (loss), attributable to non-controlling interests	134,029	270,378
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	9,362,394	4,252,535
Comprehensive income, attributable to non-controlling interests	118,338	346,272
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	1.97	1.33
Total basic earnings per share	1.97	1.33
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	1.97	1.33
Total diluted earnings per share	1.97	1.33

CASH FLOWS

Unit: NTD/000

Consolidated	2017	2016
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	9,394,448	6,173,371
Profit (loss) before tax	9,394,448	6,173,371
Adjustments		
Adjustments to reconcile profit		

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(loss)		
Depreciation expense	1,762,164	1,792,356
Amortization expense	29,784	42,874
Provision (reversal of provision) for bad debt expense	-18,634	40,594
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	23,734	91,062
Interest expense	512,995	322,983
Interest income	-331,982	-312,209
Dividend income	-167,634	-21,585
Share-based payments	1,469	1,192
Share of loss (profit) of associates and joint ventures accounted for using equity method	-2,017,026	-987,866
Loss (gain) on disposal of property, plan and equipment	-60,283	-275,150
Loss (gain) on disposal of investments	260,608	-122,257
Loss (gain) on disposal of investments accounted for using equity method	0	-59,955
Impairment loss on financial assets	0	200,000
Impairment loss on non-financial assets	67	254,262
Unrealized profit (loss) from sales	0	966
Unrealized foreign exchange loss (gain)	-7,224	1,600
Total adjustments to reconcile profit (loss) and liabilities	-11,962	968,867
Changes in operating assets		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	-379,141	51,032
Decrease (increase) in notes receivable	-690,388	2,778,473
Decrease (increase) in accounts receivable	-345,803	-1,182,484
Decrease (increase) in other receivable	36,028	148,061
Decrease (increase) in inventories	-5,172,451	-7,249,331
Decrease (increase) in other current assets	-565,733	-364,261
Decrease (increase) in other financial assets	863,273	-2,041,570

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Decrease (increase) in	-2,322	63,688
other operating assets		
Total changes in operating	-6,256,537	-7,796,392
assets		
Changes in operating liabilities		
Increase (decrease) in	-35,651	-1,548
notes payable		
Increase (decrease) in	1,506,865	1,554,625
accounts payable		
Increase (decrease) in other	676,359	955,959
payable		
Increase (decrease) in	3,398,960	7,067,356
receipts in advance		
Increase (decrease) in other	-180,750	-106,298
current liabilities		
Increase (decrease) in net	51,093	-608,288
defined benefit liability		
Increase (decrease) in other	112,235	-18,373
operating liabilities		
Total changes in operating	5,529,111	8,843,433
liabilities		
Total changes in operating	-727,426	1,047,041
assets and liabilities		
Total adjustments	-739,388	2,015,908
Cash inflow (outflow) generated	8,655,060	8,189,279
from operations		
Interest received	223,588	259,443
Dividends received	798,326	205,433
Interest paid	-520,161	-323,461
Income taxes refund (paid)	-1,458,894	-891,309
Net cash flows from (used in)	7,697,919	7,439,385
operating activities		
Cash flows from (used in) investing		
activities		
Proceeds from disposal of financial	371,002	16,690
assets at fair value through profit or		
loss, designated as upon initial		
recognition		
Proceeds from disposal of	48,769	273,916
available-for-sale financial assets		
Acquisition of investments in debt	54,228	13,115
instrument without active market		
Acquisition of financial assets at	-692,576	-233,052
cost		
Proceeds from disposal of financial	546	0
assets at cost		
Proceeds from capital reduction of	15,958	5,327
financial assets at cost		
Disposal of derivative financial	2,133	64,018

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assets for hedging		
Acquisition of investments accounted for using equity method	-1,595,460	-197,145
Proceeds from disposal of investments accounted for using equity method	0	305,501
Proceeds from capital reduction of investments accounted for using equity method	58,927	141,754
Proceeds from disposal of non-current assets classified as held for sale	399,812	0
Acquisition of property, plant and equipment	-2,367,653	-3,248,042
Proceeds from disposal of property, plant and equipment	124,291	613,543
Decrease in refundable deposits	-3,461	8,455
Acquisition of intangible assets	-422	-593
Decrease in other prepayments	0	96,975
Net cash flows from (used in) investing activities	-3,583,906	-2,139,538
Cash flows from (used in) financing activities		
Increase in short-term loans	2,668,879	1,477,726
Proceeds from long-term debt	6,500,000	0
Repayments of long-term debt	-6,694,035	-2,614,196
Cash dividends paid	-2,328,020	-701,200
Payments to acquire treasury shares	0	-1,796,741
Change in non-controlling interests	-193,745	-134,159
Other financing activities	-5	-8
Net cash flows from (used in) financing activities	-46,926	-3,768,578
Effect of exchange rate changes on cash and cash equivalents	-847,980	-2,685,239
Net increase (decrease) in cash and cash equivalents	3,219,107	-1,153,970
Cash and cash equivalents at beginning of period	7,733,584	8,887,554
Cash and cash equivalents at end of period	10,952,691	7,733,584
Cash and cash equivalents reported in the statement of financial position	10,952,691	7,733,584

Note: Subject didn't submit its individual financial information; we obtained its consolidated financials as above for reference.

The above financial figures are based on the IFRSs Accounting System.

BANKERS

Subject declined to disclose its bank details; from other source we could not obtain the relevant information, either.

PUBLIC RECORD

Mortgage

No chattel mortgage record of subject has been found within the recent 3 months.

Lawsuit

Up to date of reporting, no existing or latent litigation of the subject has been found.

SPECIAL NOTE

Interview Details

Name	Mr. Lin
Department	Sales Department
E-mail	Yunglun_lin@walsin.com

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.04
UK Pound	1	INR 89.95
Euro	1	INR 81.30
TWD	1	INR 2.29

Note: Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	NIT

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)