

# D-LINK CORPORATION AND SUBSIDIARIES

## Consolidated Balance Sheet

March 31 2010

(In thousands of New Taiwan dollars)

	<b>Assets</b>	<b>Amount</b>	<b>%</b>		<b>Liabilities and Stockholders' Equity</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>				<b>Current liabilities:</b>			
Cash and cash equivalents		\$ 5,637,042	22	Short-term borrowings		\$ 277,150	1
Financial assets at fair value through profit or loss-current		1,600,249	6	Financial liabilities at fair value through profit or loss-current		10,648	-
Notes and accounts receivable, net		5,654,814	21	Notes and accounts payable		1,354,958	5
Account receivables-related parties		59,786	-	Account payables-related parties		4,218,413	17
Other financial assets-current		121,933	1	Accrued expenses and other current liabilities		<u>2,758,431</u>	<u>10</u>
Inventories, net		4,549,534	17			<u>8,619,600</u>	<u>33</u>
Prepaid expenses and other current assets		<u>1,036,101</u>	<u>4</u>	<b>Other liabilities:</b>			
		<u>18,659,459</u>	<u>71</u>	Long-term debts		85,112	-
				Bonds Payable		1,843,089	7
<b>Funds and investments:</b>				Deferred income tax liability and others		<u>418,116</u>	<u>2</u>
Available-for-sale financial asset-noncurrent		1,361,712	5			<u>2,346,317</u>	<u>9</u>
Financial asset carried at cost-noncurrent		345,728	1	<b>Total liabilities</b>		<u>10,965,917</u>	<u>42</u>
Long-term investments under equity method		<u>3,776,936</u>	<u>15</u>				
		<u>5,484,376</u>	<u>21</u>	<b>Stockholders' equity:</b>			
<b>Property, plant and equipment:</b>				Common stock		<u>6,475,803</u>	<u>25</u>
Land		531,453	2	Capital surplus		<u>2,120,627</u>	<u>7</u>
Buildings and improvements		528,155	2	Retained earnings:			
Other equipment		<u>1,235,491</u>	<u>5</u>	Legal reserve		1,877,349	7
		2,295,099	9	Special reserve		10,655	-
Less: accumulated depreciation		(1,035,060)	(4)	Unappropriated earnings		<u>3,874,601</u>	<u>15</u>
Prepayment for purchase of equipment		<u>240</u>	<u>-</u>			<u>5,762,605</u>	<u>22</u>
		<u>1,260,279</u>	<u>5</u>				
<b>Intangibles and other assets:</b>				Accumulated translation adjustment		173,166	1
Assets held for lease and idle assets		36,824	-	Unrealized gain on available-for-sale financial assets		<u>429,426</u>	<u>2</u>
Other Assets		<u>735,829</u>	<u>3</u>			<u>602,592</u>	<u>3</u>
		<u>772,653</u>	<u>3</u>	<b>Total parent company stockholders' equity</b>		<u>14,961,627</u>	<u>57</u>
<b>Total assets</b>		<u>\$ 26,176,767</u>	<u>100</u>	Minority interest		<u>249,223</u>	<u>1</u>
				<b>Total stockholders' equity</b>		<u>15,210,850</u>	<u>58</u>
				<b>Total liabilities and stockholders' equity</b>		<u>\$ 26,176,767</u>	<u>100</u>

# D-LINK CORPORATION AND SUBSIDIARIES

## Consolidated Statement of Income

Year ended March 31 2010

(In thousands of New Taiwan dollars, except for net income per common share)

	Amount	%
<b>Net operating income</b>	\$ 7,907,634	100
<b>Cost of goods sold</b>	<u>5,229,024</u>	<u>66</u>
<b>Gross profit</b>	<u>2,678,610</u>	<u>34</u>
<b>Operating expenses:</b>		
Selling	1,654,057	21
Administrative	524,230	7
Research and development	<u>204,296</u>	<u>2</u>
	<u>2,382,583</u>	<u>30</u>
<b>Operating income</b>	<u>296,027</u>	<u>4</u>
<b>Non-operating income and gains:</b>		
Interest income	9,032	-
Investment income under equity method, net	70,939	1
Gain on disposal of investments	415	-
Other income, net	<u>39,622</u>	<u>1</u>
	<u>120,008</u>	<u>2</u>
<b>Non-operating expenses and losses:</b>		
Interest expenses	9,010	-
Exchange loss, net	55,533	1
Valuation loss from financial instruments	5,952	-
Other expense, net	<u>1,564</u>	<u>-</u>
	<u>72,059</u>	<u>1</u>
<b>Income before income taxes</b>	343,976	4
Income tax expenses	<u>80,086</u>	<u>1</u>
<b>Consolidated net income</b>	<u>\$ 263,890</u>	<u>3</u>
<b>Net income attributed to:</b>		
Parent company stockholders	\$ 255,368	3
Minority interest	<u>8,522</u>	<u>-</u>
	<u>\$ 263,890</u>	<u>3</u>
<b>Net income per common share:</b>	<u>\$0.39</u>	