

D-LINK CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheet (Unreviewed)

March 31 2009

(In thousands of New Taiwan dollars)

	Amount	%		Amount	%
Assets			Liabilities and Stockholders' Equity		
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 1,681,003	8	Short-term borrowings	\$ 863,943	4
Financial assets at fair value through profit or loss	814,220	4	Financial liabilities at fair value through profit or loss - current	244,587	1
Notes and accounts receivable, net	5,876,757	26	Notes and accounts payable	1,058,197	5
Receivables from related parties	57,871	-	Payables to related parties	2,358,708	11
Other financial assets-current	73,324	-	Income tax payable	561,779	3
Inventories, net	5,475,863	25	Accrued expenses and other current liabilities	<u>2,487,008</u>	<u>11</u>
Prepaid expenses and other current assets	1,207,312	5		<u>7,574,222</u>	<u>35</u>
	<u>15,186,350</u>	<u>68</u>	Long-term liabilities:		
			Long-term debts	<u>500,000</u>	<u>2</u>
Funds and investments:			Other liabilities:		
Available-for-sale financial asset- noncurrent	826,685	4	Deferred income tax liability and others	<u>538,760</u>	<u>2</u>
Financial asset carried at cost- noncurrent	366,333	2	Total liabilities	<u>8,612,982</u>	<u>39</u>
Long-term investments under equity method	<u>4,266,583</u>	<u>18</u>			
	<u>5,459,601</u>	<u>24</u>	Stockholders' equity:		
Property, plant and equipment:			Common stock	<u>5,652,180</u>	<u>25</u>
Land	531,453	2	Capital surplus	<u>1,932,036</u>	<u>9</u>
Buildings and improvements	540,343	2	Retained earnings:		
Machinery and equipment	115,158	1	Legal reserve	1,757,308	8
Other equipment	<u>1,049,369</u>	<u>5</u>	Unappropriated earnings	<u>4,004,223</u>	<u>18</u>
	2,236,323	10		<u>5,761,531</u>	<u>26</u>
Less:accumulated depreciation	936,127	4			
Prepayment for purchase of equipment	(1)	-	Unrealized gain on available-for-sale financial assets	(151,117)	(1)
	<u>1,300,195</u>	<u>6</u>	Accumulated translation adjustment	<u>493,098</u>	<u>2</u>
				<u>341,981</u>	<u>1</u>
Other assets:			Total parent company stockholders' equity	<u>13,687,728</u>	<u>61</u>
Assets held for lease and idle assets	37,500	-	Minority interest	<u>37,578</u>	<u>-</u>
Deferred expenses and others	<u>354,642</u>	<u>2</u>	Total stockholders' equity	<u>13,725,306</u>	<u>61</u>
	<u>392,142</u>	<u>2</u>			
Total assets	<u>\$ 22,338,288</u>	<u>100</u>	Total liabilities and stockholders' equity	<u>\$ 22,338,288</u>	<u>100</u>

D-LINK CORPORATION AND SUBSIDIARIES

Consolidated Statement of Income (Unreviewed)

Years ended March 31 2009

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

	Amount	%
Net sales	\$ 6,805,106	100
Cost of goods sold	<u>5,133,831</u>	<u>75</u>
Gross profit	<u>1,671,275</u>	<u>25</u>
Operating expenses:		
Selling	1,532,893	23
Administrative	428,154	6
Research and development	<u>148,174</u>	<u>2</u>
	<u>2,109,221</u>	<u>31</u>
Operating loss	<u>(437,946)</u>	<u>(6)</u>
Non-operating income and gains:		
Interest income	16,467	-
Valuation gain from financial instruments	43,141	-
Investment income under equity method, net	114,143	2
Other income, net	<u>22,461</u>	<u>-</u>
	<u>196,212</u>	<u>2</u>
Non-operating expenses and losses:		
Interest expenses	4,308	-
Exchange loss, net	12,047	-
Other expense, net	<u>6,101</u>	<u>-</u>
	<u>22,456</u>	<u>-</u>
Loss before income taxes	(264,190)	(4)
Income tax expenses	<u>62,612</u>	<u>1</u>
Consolidated net loss	<u>(\$ 326,802)</u>	<u>(5)</u>
Net loss attributed to:		
Parent company stockholders	(\$ 323,664)	(5)
Minority interest	<u>(3,139)</u>	<u>-</u>
	<u>(\$ 326,803)</u>	<u>(5)</u>
Net loss per common share:	<u>(\$0.57)</u>	