

USERJOY TECHNOLOGY CO., LTD.

BALANCE SHEETS

DECEMBER 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

ASSETS	2009		2008		LIABILITIES AND STOCKHOLDERS' EQUITY	2009		2008	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	\$ 458,271	41	\$ 420,386	52	Notes payable	\$ 1,146	-	\$ 3,071	-
Available-for-sale financial assets - current	40,282	4	12,847	1	Accounts payable	8,922	1	1,106	-
Notes receivable	27,352	2	8,864	1	Income tax payable	23,236	2	9,619	1
Accounts receivable	122,167	11	63,459	8	Other payables	103,713	9	70,565	9
Accounts receivable from related parties	17,261	2	16,688	2	Other current liabilities	9,864	1	7,820	1
Inventories	3,110	-	5,904	1					
Deferred income tax asset, current	27,866	2	11,586	1	Total current liabilities	146,881	13	92,181	11
Other current assets	19,612	2	6,697	1					
					Total liabilities	146,881	13	92,181	11
Total current assets	715,921	64	546,431	67					
INVESTMENTS					STOCKHOLDERS' EQUITY				
Long-term equity investments at equity method	107,139	10	104,791	13	Capital stock, \$10 par value				
Financial assets carried at cost, noncurrent	25,000	2	-	-	Authorized - 80,000 thousand shares at December 31, 2009 and 80,000 thousand shares at December 31, 2008				
Total investments	132,139	12	104,791	13	issued - 30,221 thousand shares and 25,725 thousand shares at December 31, 2009 and 2008	302,211	27	257,254	32
PROPERTY, PLANT AND EQUIPMENT					Capital surplus				
Cost	154,457	14	134,426	16	Paid-in capital	225,643	20	222,994	27
Less accumulated depreciation	(16,965)	(2)	(16,674)	(2)	Treasure stock	51	-	51	-
Property, plant and equipment, net	137,492	12	117,752	14	Retained earnings				
					Legal reserve	54,094	5	39,721	5
INTANGIBLE ASSETS					Accumulated retained earnings	386,744	35	212,249	26
Computer software	-	-	10,462	1	Cumulative translation adjustments	8,513	1	11,485	2
Goodwill	10,641	1	10,641	2	Unrealized loss on financial instruments	9,753	1	659	-
Total intangible assets	10,641	1	21,103	3	Treasury stock	(21,839)	(2)	(21,839)	(3)
					Total stockholders' equity	965,170	87	722,574	89
OTHER ASSETS									
Refundable deposits	2,727	-	2,320	-					
Deferred charges	97,196	9	8,082	1					
Others	15,935	2	14,276	2					
Total other assets	115,858	11	24,678	3					
TOTAL	\$1,112,051	100	\$ 814,755	100	TOTAL	\$1,112,051	100	\$ 814,755	100

USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	2009		2008	
	Amount	%	Amount	%
GROSS SALES AND REVENUES	\$ 944,880	104	\$ 492,910	108
LESS SALES RETURNS AND ALLOWANCES	<u>(38,355)</u>	<u>(4)</u>	<u>(38,412)</u>	<u>(8)</u>
NET SALES AND REVENUES	906,525	100	454,498	100
COST OF GOODS SOLD	<u>37,447</u>	<u>4</u>	<u>25,833</u>	<u>5</u>
GROSS PROFIT	<u>869,078</u>	<u>96</u>	<u>428,665</u>	<u>95</u>
OPERATING EXPENSES				
Sales and marketing	236,868	26	120,862	27
General and administration	59,825	7	40,163	9
Research and development	<u>195,730</u>	<u>21</u>	<u>124,848</u>	<u>27</u>
Total operating expenses	<u>492,423</u>	<u>54</u>	<u>285,873</u>	<u>63</u>
INCOME FROM OPERATIONS	<u>376,655</u>	<u>42</u>	<u>142,792</u>	<u>32</u>
NONOPERATING INCOME AND GAINS				
Interest income	4,052	1	7,576	2
Dividends income	883	-	623	-
Foreign exchange gains, net	-	-	5,296	1
Others	<u>2,819</u>	<u>-</u>	<u>8,122</u>	<u>2</u>
Total nonoperating income and gains	<u>7,754</u>	<u>1</u>	<u>21,617</u>	<u>5</u>
NONOPERATING EXPENSES AND LOSSES				
Investment loss recognized under equity method	26,190	3	4,435	1
Loss on disposal of property, plant, equipment	399	-	297	-
Loss on disposal of investment	-	-	1,861	1
Foreign exchange losses, net	5,751	1	-	-
Valuation loss on financial assets, net	<u>-</u>	<u>-</u>	<u>780</u>	<u>-</u>
Total nonoperating expenses and losses	<u>32,340</u>	<u>4</u>	<u>7,373</u>	<u>2</u>

(Continued)

USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2009 AND 2008

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, Not Audited)

	<u>2009</u>		<u>2008</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
INCOME BEFORE INCOME TAX	\$ 352,069	39	\$ 157,036	35
INCOME TAX EXPENSE	<u>(44,675)</u>	<u>(5)</u>	<u>(13,303)</u>	<u>(3)</u>
NET INCOME	<u>\$ 307,394</u>	<u>34</u>	<u>\$ 143,733</u>	<u>32</u>
	<u>2009</u>		<u>2008</u>	
	<u>Before Income Tax</u>	<u>After Income Tax</u>	<u>Before Income Tax</u>	<u>After Income Tax</u>
EARNINGS PER SHARE				
Basic	<u>\$ 11.93</u>	<u>\$ 10.42</u>	<u>\$ 5.41</u>	<u>\$ 4.95</u>
Duited	<u>\$ 11.23</u>	<u>\$ 9.81</u>	<u>\$ 5.16</u>	<u>\$ 4.72</u>

(Concluded)

USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Capital Surplus			Retained Earnings			Unrealized gain (loss) on financial instruments	Treasury stock	Total
	Capital Stock	Additional Paid-in Capital	Additional Paid-in Capital-treasury stock	Legal Reserve	Unappropriated earnings	Cumulative Translation Adjustments			
BALANCE, JANUARY 1, 2009	\$ 257,254	\$ 222,994	\$ 51	\$ 39,721	\$ 212,249	\$ 11,485	\$ 659	\$ (21,839)	\$ 722,574
Employee stock options	2,086	2,649	-	-	-	-	-	-	4,735
Appropriation of 2008 net income									
Legal reserve	-	-	-	14,373	(14,373)	-	-	-	-
Stock dividends	42,871	-	-	-	(42,871)	-	-	-	-
Cash dividends	-	-	-	-	(75,655)	-	-	-	(75,655)
Net income for the year ended December 31, 2009	-	-	-	-	307,394	-	-	-	307,394
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	9,094	-	9,094
Translation adjustments on long-term equity investments	-	-	-	-	-	(2,972)	-	-	(2,972)
BALANCE, DECEMBER 31, 2009	\$ 302,211	\$ 225,643	\$ 51	\$ 54,094	\$ 386,744	\$ 8,513	\$ 9,753	\$ (21,839)	\$ 965,170
BALANCE, JANUARY 1, 2008	\$ 202,472	\$ 88,234	\$ 51	\$ 26,883	\$ 182,857	\$ 2,246	\$ -	\$ -	\$ 502,743
Additional capital	24,600	134,760	-	-	-	-	-	-	159,360
Appropriation of 2008 net income									
Legal reserve	-	-	-	12,838	(12,838)	-	-	-	-
Bonuses to employees	7,475	-	-	-	(7,475)	-	-	-	-
Stock dividends	22,707	-	-	-	(22,707)	-	-	-	-
Remuneration to directors and supervisors	-	-	-	-	(3,200)	-	-	-	(3,200)
Cash dividends	-	-	-	-	(68,121)	-	-	-	(68,121)
Net income for the year ended March 31, 2008	-	-	-	-	143,733	-	-	-	143,733
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	659	-	659
Translation adjustments on long-term equity investments	-	-	-	-	-	9,239	-	-	9,239
Acquisition of treasury stock	-	-	-	-	-	-	-	(21,839)	(21,839)
BALANCE, DECEMBER 31, 2008	\$ 257,254	\$ 222,994	\$ 51	\$ 39,721	\$ 212,249	\$ 11,485	\$ 659	\$ (21,839)	\$ 722,574

USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2009 AND 2008 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 307,394	\$ 143,733
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	27,762	20,034
Provision for doubtful accounts	-	559
Valuation loss on financial assets	-	2,641
Investment loss recognized under the equity method	26,190	4,435
Loss on disposal of property, plant and equipment	399	297
Loss on disposal of idle inventory	3,744	1,090
Net changes in operating assets and liabilities		
Financial assets measured at fair value through profit and loss, current	-	12,570
Notes receivable (including from related parties)	(18,489)	12,570
Accounts receivable from affiliates(including from related parties)	(59,281)	10,798
Inventories	(950)	(2,554)
Income tax prepayment	(7,271)	-
Deferred income tax asset, current	(16,280)	(8,557)
Prepaid pension	(580)	(667)
Other current assets	(12,914)	(1,804)
Other assets	6,192	3,816
Notes payable	(1,925)	2,194
Accounts payable	7,816	(6,405)
Income tax payable	13,617	(6,321)
Other payables	32,633	25,196
Other current liabilities	2,045	4,484
Net cash provided by operating activities	<u>310,102</u>	<u>218,109</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Available-for-sale financial assets - current	(18,342)	(8,674)
Acquisition of Financial assets carried at cost - noncurrent	(25,000)	-
Acquisition of property, plant and equipment	(26,791)	(37,187)
Increase in long-term equity investments	(31,510)	(43,150)
Increase in refundable deposit	(408)	(89)
Increase in computer software	-	(738)
Increase in deferred charges	<u>(96,658)</u>	<u>(8,465)</u>
Net cash used in investing activities	<u>(198,709)</u>	<u>(98,303)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Employee stock options	4,735	-
Cash paid for acquisition of treasury stock	-	(21,839)
Cash dividends	(75,655)	(68,121)
Remuneration to directors and supervisors	(2,588)	(3,200)
Additional captial	-	159,360
Decrease in deposits received	<u>-</u>	<u>(2)</u>
Net cash used in financing activities	<u>(73,508)</u>	<u>66,198</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 37,885	\$ 186,004
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>420,386</u>	<u>234,382</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 458,271</u>	<u>\$ 420,386</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period		
Income tax	<u>\$ 54,610</u>	<u>\$ 28,164</u>
NONCASH INVESTING AND FINANCING ACTIVITIES		
Translation adjustments on foreign long-term equity investments	<u>\$ (2,972)</u>	<u>\$ 9,239</u>
Change in unrealized gain (loss) on available-for-sale financial assets	<u>\$ 9,094</u>	<u>\$ 659</u>
Stock dividends and transfer of bonuses to capital stock	<u>\$ 42,871</u>	<u>\$ 30,182</u>

(Concluded)