

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2010 AND 2009

(In Thousands of New Taiwan Dollars)

ASSETS	2010		2009		LIABILITIES AND STOCKHOLDERS' EQUITY	2010		2009	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	\$ 535,603	39	\$ 479,695	53	Notes payable	\$ -	-	\$ 5,520	1
Available-for-sale financial assets	50,771	4	15,750	2	Accounts payable	19,209	1	2,465	-
Notes receivable	3,811	-	252	-	Income tax payable	39,841	3	16,628	2
Accounts receivable	296,279	22	133,428	15	Other payable	149,819	11	77,233	8
Accounts receivable from related parties	6,877	1	-	-	Other current liabilities	7,348	1	885	-
Inventories	4,106	-	5,105	-					
Deferred income tax asset, current	27,396	2	6,116	1	Total current liabilities	216,217	16	102,731	11
Other current assets	21,957	2	19,207	2					
Total current assets	946,800	70	659,553	73	OTHER LIABILITIES				
					Accrued pension	-	-	48	-
INVESTMENTS					Total liabilities	216,217	16	102,779	11
Long-term equity investments at equity method	61,472	4	57,486	6					
Financial assets carried at cost, noncurrent	25,000	2	-	-	STOCKHOLDERS' EQUITY				
Total investments	86,472	6	57,486	6	Capital stock, \$10 par value				
					Authorized - 80,000 thousand shares at March 31, 2010 and 2009; issued - 30,359 thousand shares and 25,725 thousand shares at March 31, 2010 and 2009	303,589	22	257,254	29
PROPERTY, PLANT AND EQUIPMENT					Advanced collections for common stock	53	-	-	-
Cost	183,581	13	153,471	17	Capital surplus				
Less accumulated depreciation	(29,867)	(2)	(23,117)	(2)	Paid-in capital	227,394	17	222,994	25
Property, plant and equipment, net	153,714	11	130,354	15	Treasure stock	51	-	51	-
					Retained earnings				
INTANGIBLE ASSETS					Legal reserve	54,094	4	39,721	4
Trademarks	322	-	137	-	Accumulated retained earnings	566,104	41	288,179	32
Computer software	-	-	6,930	1	Other adjustment of stockholders' equity				
Goodwill	12,646	1	12,646	1	Cumulative translation adjustments	7,003	1	12,470	1
Total intangible assets	12,968	1	19,713	2	Unrealized gain on financial instruments	10,659	1	132	-
					Treasury stock	(21,839)	(2)	(21,839)	(2)
OTHER ASSETS					Total stockholders' equity	1,147,108	84	798,962	89
Refundable deposits	5,093	-	3,442	-					
Deferred charges	143,758	11	18,274	2	TOTAL	\$ 1,363,325	100	\$ 901,741	100
Others	14,520	1	12,919	2					
Total other assets	163,371	12	34,635	4					
TOTAL	\$ 1,363,325	100	\$ 901,741	100					

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME THREE MONTHS ENDED MARCH 31, 2010 AND 2009 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2010		2009	
	Amount	%	Amount	%
GROSS SALES AND REVENUES	\$ 455,992	101	\$ 245,826	103
LESS SALES RETURNS AND ALLOWANCES	<u>(6,253)</u>	<u>(1)</u>	<u>(7,560)</u>	<u>(3)</u>
NET SALES AND REVENUES	449,739	100	238,266	100
COST OF GOODS SOLD	<u>19,530</u>	<u>4</u>	<u>7,592</u>	<u>3</u>
GROSS PROFIT	<u>430,209</u>	<u>96</u>	<u>230,674</u>	<u>97</u>
OPERATING EXPENSES				
Sales and marketing	93,045	21	50,210	21
General and administration	53,842	12	35,556	15
Research and development	<u>76,815</u>	<u>17</u>	<u>47,391</u>	<u>20</u>
Total operating expenses	<u>223,702</u>	<u>50</u>	<u>133,157</u>	<u>56</u>
INCOME FROM OPERATIONS	<u>206,507</u>	<u>46</u>	<u>97,517</u>	<u>41</u>
NONOPERATING INCOME AND GAINS				
Interest income	496	-	1,860	1
Investment income recognized under equity method	1,731	-	-	-
Rent income	9	-	9	-
Others	<u>29</u>	<u>-</u>	<u>14</u>	<u>-</u>
Total nonoperating income and gains	<u>2,265</u>	<u>-</u>	<u>1,883</u>	<u>1</u>
NONOPERATING EXPENSES AND LOSSES				
Investment loss recognized under equity method	-	-	221	-
Loss on disposal of property, plant and equipment	164	-	154	-
Foreign exchange losses, net	234	-	1,824	1
Others	<u>-</u>	<u>-</u>	<u>1,161</u>	<u>1</u>
Total nonoperating expenses and losses	<u>398</u>	<u>-</u>	<u>3,360</u>	<u>2</u>
INCOME BEFORE INCOME TAX	208,374	46	96,040	40
INCOME TAX EXPENSE	<u>(28,030)</u>	<u>(6)</u>	<u>(20,110)</u>	<u>(8)</u>
NET INCOME	<u>\$ 180,344</u>	<u>40</u>	<u>\$ 75,930</u>	<u>32</u>

(Continued)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME THREE MONTHS ENDED MARCH 31, 2010 AND 2009

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

	2010		2009	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS PER SHARE				
Basic	<u>\$ 7.01</u>	<u>\$ 6.07</u>	<u>\$ 3.26</u>	<u>\$ 2.58</u>
Diluted	<u>\$ 6.64</u>	<u>\$ 5.74</u>	<u>\$ 3.11</u>	<u>\$ 2.46</u>

(Concluded)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
THREE MONTHS ENDED MARCH 31, 2010 AND 2009
(In Thousands of New Taiwan Dollars)**

	Capital Surplus				Retained Earnings			Other Items of Stockholders' Equity			Total
	Capital Stock	Advanced Collections for Common Stock	Additional Paid-in Capital	Additional Paid-in Capital - Treasury Stock	Legal Reserve	Unappropriated Earnings		Cumulative Translation Adjustments	Unrealized Gain (Loss) on Financial Instruments	Treasury Stock	
BALANCE, JANUARY 1, 2010	\$ 302,211	\$ -	\$ 225,643	\$ 51	\$ 54,094	\$ 386,744	\$ 8,513	\$ 9,753	\$ (21,839)	\$ 965,170	
Consolidated net income for the three months ended March 31, 2010	-	-	-	-	-	180,344	-	-	-	180,344	
Employee stock options	1,378	53	1,751	-	-	-	-	-	-	3,182	
Change in unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	906	-	906	
Adjustment arising from changes in percentage of ownership in investees	-	-	-	-	-	(984)	-	-	-	(984)	
Change in translation adjustments	-	-	-	-	-	-	(1,510)	-	-	(1,510)	
BALANCE, MARCH 31, 2010	<u>\$ 303,589</u>	<u>\$ 53</u>	<u>\$ 227,394</u>	<u>\$ 51</u>	<u>\$ 54,094</u>	<u>\$ 566,104</u>	<u>\$ 7,003</u>	<u>\$ 10,659</u>	<u>\$ (21,839)</u>	<u>\$ 1,147,108</u>	
BALANCE, JANUARY 1, 2009	\$ 257,254	\$ -	\$ 222,994	\$ 51	\$ 39,721	\$ 212,249	\$ 11,485	\$ 659	\$ (21,839)	\$ 722,574	
Consolidated net income for the three months ended March 31, 2009	-	-	-	-	-	75,930	-	-	-	75,930	
Change in unrealized loss on available-for-sale financial assets	-	-	-	-	-	-	-	(527)	-	(527)	
Change in translation adjustments	-	-	-	-	-	-	985	-	-	985	
BALANCE, MARCH 31, 2009	<u>\$ 257,254</u>	<u>\$ -</u>	<u>\$ 222,994</u>	<u>\$ 51</u>	<u>\$ 39,721</u>	<u>\$ 288,179</u>	<u>\$ 12,470</u>	<u>\$ 132</u>	<u>\$ (21,839)</u>	<u>\$ 798,962</u>	

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2010 AND 2009 (In Thousands of New Taiwan Dollars)

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income	\$ 180,344	\$ 75,930
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	8,998	7,796
Investment (income) loss recognized under the equity method	(1,731)	221
Loss on disposal of property, plant and equipment	164	154
Net changes in operating assets and liabilities		
Notes receivable	23,541	8,612
Accounts receivable from affiliates (including from related parties)	(153,139)	(54,477)
Inventories	(996)	799
Other current assets	(4,157)	(4,363)
Other assets	1,415	1,357
Deferred income tax asset, current	470	5,470
Notes payable	(1,146)	2,449
Accounts payable	9,830	1,359
Income tax payable	15,312	5,270
Other payables	20,764	3,147
Other current liabilities	5,825	(7,760)
Accrued pension	-	48
Net cash provided by operating activities	<u>105,494</u>	<u>46,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(5,712)	(9,913)
Acquisition of available-for-sale financial assets - current	(9,582)	(3,430)
Increase in long-term equity investments	(9,300)	-
Increase in refundable deposit	(23)	(76)
Increase in trademarks	(99)	(67)
Increase in deferred charges	<u>(30,478)</u>	<u>(11,255)</u>
Net cash used in investing activities	<u>(55,194)</u>	<u>(24,741)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Employee stock options	<u>3,182</u>	<u>-</u>
EFFECT OF EXCHANGE RATE CHANGES	<u>(987)</u>	<u>(233)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	52,495	21,038
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>483,108</u>	<u>458,657</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 535,603</u>	<u>\$ 479,695</u>

(Continued)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2010 AND 2009 (In Thousands of New Taiwan Dollars)

	2010	2009
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period		
Income tax	<u>\$ 10,656</u>	<u>\$ 7,527</u>
NONCASH INVESTING AND FINANCING ACTIVITIES		
Translation adjustments on foreign long-term equity investments	<u>\$ (1,510)</u>	<u>\$ 985</u>
Change in unrealized gain (loss) on available-for-sale financial assets	<u>\$ 906</u>	<u>\$ (527)</u>
Adjustment arising from changes in percentage of ownership in investees	<u>\$ (984)</u>	<u>\$ -</u>
CASH PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT		
Net increase in property, plant and equipment	\$ 9,709	\$ 9,913
Add payables for acquisition of equipment payable, beginning of period	3,103	-
Less payables for acquisition of equipment payable, end of period	<u>(7,100)</u>	<u>-</u>
Cash paid for acquisition of property, plant and equipment	<u>\$ 5,712</u>	<u>\$ 9,913</u>

(Concluded)