

USERJOY TECHNOLOGY CO., LTD.

BALANCE SHEETS

MARCH 31, 2010 AND 2009

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

ASSETS	2010		2009		LIABILITIES AND STOCKHOLDERS' EQUITY	2010		2009	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents	\$ 498,339	37	\$ 434,470	48	Notes payable	\$ -	-	\$ 5,520	1
Available-for-sale financial assets - current	50,771	4	15,750	2	Accounts payable	12,787	1	2,465	-
Notes receivable	3,811	-	252	-	Income tax payable	30,909	2	13,721	2
Accounts receivable	262,304	20	119,009	13	Other payables	134,874	10	75,530	8
Accounts receivable from related parties	15,839	1	8,665	1	Other current liabilities	7,040	1	822	-
Inventories	4,106	-	5,105	1	Total current liabilities	185,610	14	98,058	11
Deferred income tax asset, current	27,396	2	6,116	1	OTHER LIABILITIES				
Other current assets	22,107	2	3,991	-	Accrued pension	-	-	48	-
Total current assets	884,673	66	593,358	66	Total liabilities	185,610	14	98,106	11
INVESTMENTS					STOCKHOLDERS' EQUITY				
Long-term equity investments at equity method	127,161	9	120,750	14	Capital stock, \$10 par value				
Prepayments for investments	-	-	9,847	1	Authorized - 80,000 thousand shares at March 31, 2010				
Financial assets carried at cost, noncurrent	25,000	2	-	-	and 2009; issued - 30,359 thousand shares and				
Total investments	152,161	11	130,597	15	25,725 thousand shares at December 31, 2010				
PROPERTY, PLANT AND EQUIPMENT					and 2009	303,589	23	257,254	29
Cost	161,960	12	141,788	16	Advanced collections for common stock	53	-	-	-
Less accumulated depreciation	(19,658)	(1)	(18,038)	(2)	Capital surplus				
Property, plant and equipment, net	142,302	11	123,750	14	Paid-in capital	227,394	17	222,994	25
INTANGIBLE ASSETS					Treasure stock	51	-	51	-
Computer software	-	-	6,930	1	Retained earnings				
Goodwill	10,641	1	10,641	1	Legal reserve	54,094	4	39,721	4
Total intangible assets	10,641	1	17,571	2	Accumulated retained earnings	566,104	42	288,179	32
OTHER ASSETS					Cumulative translation adjustments	7,003	1	12,470	1
Refundable deposits	2,791	-	2,449	-	Unrealized loss on financial instruments	10,659	1	132	-
Deferred charges	125,630	10	16,424	2	Treasury stock	(21,839)	(2)	(21,839)	(2)
Others	14,520	1	12,919	1	Total stockholders' equity	1,147,108	86	798,962	89
Total other assets	142,941	11	31,792	3					
TOTAL	\$ 1,332,718	100	\$ 897,068	100	TOTAL	\$ 1,332,718	100	\$ 897,068	100

USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2010 AND 2009

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

(Reviewed, Not Audited)

	2010		2009	
	Amount	%	Amount	%
GROSS SALES AND REVENUES	\$ 388,733	102	\$ 222,528	104
LESS SALES RETURNS AND ALLOWANCES	<u>(6,253)</u>	<u>(2)</u>	<u>(7,560)</u>	<u>(4)</u>
NET SALES AND REVENUES	382,480	100	214,968	100
COST OF GOODS SOLD	<u>5,688</u>	<u>1</u>	<u>7,592</u>	<u>4</u>
GROSS PROFIT	<u>376,792</u>	<u>99</u>	<u>207,376</u>	<u>96</u>
OPERATING EXPENSES				
Sales and marketing	89,890	24	49,376	23
General and administration	24,463	6	14,527	7
Research and development	<u>76,580</u>	<u>20</u>	<u>47,391</u>	<u>22</u>
Total operating expenses	<u>190,933</u>	<u>50</u>	<u>111,294</u>	<u>52</u>
INCOME FROM OPERATIONS	<u>185,859</u>	<u>49</u>	<u>96,082</u>	<u>44</u>
NONOPERATING INCOME AND GAINS				
Interest income	491	-	1,846	1
Investment income recognized under equity method	13,216	3	-	-
Rent income	9	-	9	-
Others	<u>21</u>	<u>-</u>	<u>4</u>	<u>-</u>
Total nonoperating income and gains	<u>13,737</u>	<u>3</u>	<u>1,859</u>	<u>1</u>
NONOPERATING EXPENSES AND LOSSES				
Investment loss recognized under equity method	-	-	1,674	1
Loss on disposal of property, plant, equipment	164	-	154	-
Foreign exchange losses, net	288	-	2,129	1
Others	<u>-</u>	<u>-</u>	<u>954</u>	<u>-</u>
Total nonoperating expenses and losses	<u>452</u>	<u>-</u>	<u>4,911</u>	<u>2</u>
INCOME BEFORE INCOME TAX	199,144	52	93,030	43
INCOME TAX EXPENSE	<u>(18,800)</u>	<u>(5)</u>	<u>(17,100)</u>	<u>(8)</u>
NET INCOME	<u>\$ 180,344</u>	<u>47</u>	<u>\$ 75,930</u>	<u>35</u>

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USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF INCOME

THREE MONTHS ENDED MARCH 31, 2010 AND 2009

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

(Reviewed, Not Audited)

	2010		2009	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS PER SHARE				
Basic	<u>\$ 6.70</u>	<u>\$ 6.07</u>	<u>\$ 3.16</u>	<u>\$ 2.58</u>
Diluted	<u>\$ 6.34</u>	<u>\$ 5.74</u>	<u>\$ 3.01</u>	<u>\$ 2.46</u>

(Concluded)

USERJOY TECHNOLOGY CO., LTD.

**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
THREE MONTHS ENDED MARCH 31, 2010 AND 2009
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)**

	Capital Stock	Advance Collections for Common Stock	Capital Surplus		Retained Earnings		Cumulative Translation Adjustments	Unrealized Gain (Loss) on Financial Instruments	Treasury Stock	Total
			Additional Paid-in Capital	Additional Capital - Treasury Stock	Legal Reserve	Unappropri- ated Earnings				
BALANCE, JANUARY 1, 2010	\$ 302,211	\$ -	\$ 225,643	\$ 51	\$ 54,094	\$ 386,744	\$ 8,513	\$ 9,753	\$ (21,839)	\$ 965,170
Employee stock options	1,378	53	1,751	-	-	-	-	-	-	3,182
Net income for the year ended March 31, 2010	-	-	-	-	-	180,344	-	-	-	180,344
Change in unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	906	-	906
Change in translation adjustments	-	-	-	-	-	-	(1,510)	-	-	(1,510)
Adjustment arising from changes in percentage of ownership in investees	-	-	-	-	-	(984)	-	-	-	(984)
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
Net income for the year 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.

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2010 AND 2009 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 180,344	\$ 75,930
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	5,139	6,870
Investment (income) loss recognized under the equity method	(13,216)	1,674
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)	(138,715)	(47,527)
Inventories	(996)	799
Income tax prepayment	-	132
Deferred income tax asset, current	470	5,145
Prepaid pension	(133)	(192)
Other current assets	(2,496)	2,706
Other assets	1,548	1,417
Notes payable	(1,146)	2,449
Accounts payable	3,865	1,359
Income tax payable	7,674	4,427
Other payables	27,164	4,965
Other current liabilities	(2,825)	(6,998)
Accrued pension	-	48
Net cash provided by operating activities	<u>90,382</u>	<u>61,970</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(4,174)	(8,030)
Increase in long-term equity investments	(9,300)	(16,648)
Prepayments for investments	-	(9,847)
Proceeds from disposal of available-for-sale financial assets	(9,582)	(3,430)
Increase in refundable deposit	(64)	(129)
Increase in deferred charges	<u>(30,376)</u>	<u>(9,802)</u>
Net cash used in investing activities	<u>(53,496)</u>	<u>(47,886)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Employee stock options	<u>3,182</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	40,068	14,084
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>458,271</u>	<u>420,386</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 498,339</u>	<u>\$ 434,470</u>

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USERJOY TECHNOLOGY CO., LTD.

STATEMENTS OF CASH FLOWS THREE MONTHS ENDED MARCH 31, 2010 AND 2009 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	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>

(Concluded)