

## D-LINK CORPORATION AND SUBSIDIARIES

### Consolidated Balance Sheet (Unaudited)

December 31 2009

(In thousands of New Taiwan dollars)

	Amount	%		Amount	%
<b>Assets</b>			<b>Liabilities and Stockholders' Equity</b>		
<b>Current assets:</b>			<b>Current liabilities:</b>		
Cash and cash equivalents	\$ 5,558,349	22	Short-term borrowings	\$ 662,002	3
Financial assets at fair value through profit or loss-current	171,975	1	Financial liabilities at fair value through profit or loss-current	3,933	-
Notes and accounts receivable, net	6,259,293	25	Notes and accounts payable	1,553,793	6
Account receivables-related parties	37,368	-	Account payables-related parties	4,281,979	17
Other financial assets-current	86,903	-	Accrued expenses and other current liabilities	2,928,713	11
Inventories, net	4,690,489	18		9,430,420	37
Prepaid expenses and other current assets	1,090,803	4	<b>Other liabilities:</b>		
	17,895,180	70	Long-term debts	500,000	2
			Deferred income tax liability and others	440,324	2
<b>Funds and investments:</b>				940,324	4
Available-for-sale financial asset-noncurrent	1,426,320	6	<b>Total liabilities</b>	10,370,744	41
Financial asset carried at cost-noncurrent	347,111	1			
Long-term investments under equity method	3,707,604	15	<b>Stockholders' equity:</b>		
	5,481,035	22	Common stock	6,475,803	26
			Capital surplus	2,002,474	8
<b>Property, plant and equipment:</b>			Retained earnings:		
Land	531,453	2	Legal reserve	1,877,349	7
Buildings and improvements	526,896	2	Special reserve	10,655	-
Other equipment	1,196,914	5	Unappropriated earnings	3,619,232	14
	2,255,263	9		5,507,236	21
Less: accumulated depreciation	(989,318)	(4)	Accumulated translation adjustment	285,189	1
Prepayment for purchase of equipment	1,259	-	Unrealized gain on available-for-sale financial assets	497,055	2
	1,267,204	5		782,244	3
			<b>Total parent company stockholders' equity</b>	14,767,757	58
<b>Intangibles and other assets:</b>			Minority interest	233,976	1
Assets held for lease and idle assets	36,993	-	<b>Total stockholders' equity</b>	15,001,733	59
Other Assets	692,065	3			
	729,058	3			
			<b>Total liabilities and stockholders' equity</b>	\$ 25,372,477	100
<b>Total assets</b>	\$ 25,372,477	100			

# D-LINK CORPORATION AND SUBSIDIARIES

## Consolidated Statement of Income (Unaudited)

Year ended December 31 2009

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

	Amount	%
<b>Net operating income</b>	\$ 31,016,352	100
<b>Cost of goods sold</b>	<u>21,399,473</u>	<u>69</u>
<b>Gross profit</b>	<u>9,616,879</u>	<u>31</u>
<b>Operating expenses:</b>		
Selling	6,257,186	20
Administrative	2,242,880	7
Research and development	<u>722,215</u>	<u>3</u>
	<u>9,222,281</u>	<u>30</u>
<b>Operating income</b>	<u>394,598</u>	<u>1</u>
<b>Non-operating income and gains:</b>		
Interest income	40,274	-
Investment income under equity method, net	174,960	1
Exchange gain, net	72,289	-
Valuation gain from financial instruments	33,181	-
Other income, net	<u>148,905</u>	<u>1</u>
	<u>469,609</u>	<u>2</u>
<b>Non-operating expenses and losses:</b>		
Interest expenses	13,446	-
Impairment loss	38,055	-
Other expense, net	<u>77,707</u>	<u>-</u>
	<u>129,208</u>	<u>-</u>
<b>Income before income taxes</b>	734,999	3
Income tax expenses	<u>204,111</u>	<u>1</u>
<b>Consolidated net income</b>	<u>\$ 530,888</u>	<u>2</u>
<b>Net income attributed to:</b>		
Parent company stockholders	\$ 511,562	2
Minority interest	<u>19,326</u>	<u>-</u>
	<u>\$ 530,888</u>	<u>2</u>
<b>Net income per common share:</b>	<u>\$0.79</u>	