



## Gamania Reports Financial Results for the nine-month periods ended September 30<sup>th</sup>, 2009

Taipei, Taiwan, R.O.C., Oct 27, 2009 — Gamania Digital Entertainment Co., Ltd. (OTC: 6180) today announced its consolidated operating revenue of NT\$3,984,467 thousand, gross profit of NT\$2,033,056 thousand with gross margin 51.02%, operating income of NT\$406,779 thousand, net income of NT\$292,059 thousand, and earnings per share (EPS) of NT\$2.00 for the 9 months ended Sep 30<sup>th</sup>, 2009 based on reviewed financial statements.

Unit:NT\$ Thousand, <i>except EPS</i>	1Q09~3Q09	1Q08~3Q08	YoY
Operating Revenues	3,984,467	2,847,344	39.94%
Operating Cost	(1,951,411)	(1,454,721)	34.14%
Gross Profit	2,033,056	1,392,623	45.99%
Operating Expenses	(1,626,277)	(1,114,986)	45.86%
Operating Income	406,779	277,637	46.51%
Non-operating Income (Expenses)	(4,423)	39,571	(111.18%)
Profit before Income Tax	402,356	317,208	26.84%
Income Tax Benefit (Expenses)	(101,142)	(70,982)	42.49%
Consolidated Net Income Attributable to:	301,214	246,226	22.33%
Minority Interest	9,155	(2,640)	-
Shareholders	292,059	248,866	17.36%
Earnings per Share (NT\$)	2.00	1.62	-

Source : Reviewed consolidated financial statements & report for the nine-month ended Sep. 30th 2008 and 2009.

The consolidated revenues for the 9 months ended Sep 30<sup>th</sup>, 2009 increased 39.94% year-over-year mainly owing to contribution from releasing new titles, expansion packs and the popularity of the self-developed titles **"Lucent Heart"** in Japan market. Major entities including the parent company, Gamania Japan and Gamania Hong Kong performed well and set their historical record high. In details, the operating revenue of the parent company increase 24.95% year-over-year, due to the contribution of three flagship titles "Lineage", "Maple Story" and "Counter Strike Online"; Operating revenue of Gamania



Japan surged 105.48% year-over-year thanks to the group in-house title “Lucent Heart” (also known as “Zodiac”) which created a huge sensation in the local market and remained to contribute high revenue ; Gamania Hong Kong’s operating revenue grew 97.54% year-over-year driven by the contribution from titles including “Chi bi” and “Counter Strike Online”. Meanwhile, due to the large scale of revenue, the consolidated gross margin attended 51.02%, compared to the percentage for the same period last year. Since 2008, Gamania group kept implementing the product diversification strategy and launched five titles in the third quarter with significant marketing expenses, aiming to attract more customers and enlarge market share. However, some of that performed under our expectation; further, the group has also been dedicated to developing more in-house titles as well as making preparations for tapping into the US and Europe market, therefore, the operating expense rate is higher than that of the previous year. As a result of the factors discussed above, consolidated net income for the 9 months ended Sep 30<sup>th</sup>, 2009 achieved NT\$292,059 thousand, representing a modest growth of 17.36% year-over year.

Look forward to the future, 3D fantasy-styled title “Runes of Magic” which has been licensed to over 20 countries worldwide launched on Oct 22<sup>th</sup> and soon attracted over 150k registrants with peak concurrent users over 10k. Further, 3D side-scrolling & cel-shaded action MMORPG “ELSWORD”, operated by Taiwan Index co., has started focus group testing and may make commercial launch in Dec at Taiwan, Hong Kong and Macao. The management team expects these abovementioned titles to sustain growth momentum in revenue.